2011 CITY OF DULUTH BUDGET

BUSINESS PLANS

THE CITY OF
DULUTH
MINNESOTA

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City of Duluth

City Attorney's Office

2011-2015 Business Plan

Prepared by: Gunnar Johnson

Submitted: March 31, 2011

MISSION

The Office of the City Attorney (the "Office") is committed to providing excellent legal services, advice and representation to the City, its officials and staff, advocating for justice and safeguarding the interests of the public in the criminal justice system, and honoring the highest principles of the legal profession.

VALUES

Our values are:

- The delivery of quality legal services
- A commitment to the highest professional standards
- The trust of our clients and the public
- Collaboration
- Respect
- Objective legal advice
- Timeliness/Responsiveness
- Resourcefulness
- Creativity

OFFICE ORGANIZATION/PROGRAM STRUCTURE

The Office includes fifteen positions: City Attorney, Deputy City Attorney, Chief Prosecutor, six assistant City Attorneys, one grant funded Community Prosecutor, one VISTA Attorney, two paralegals, a claims investigator/adjuster, a Human Rights Officer and two support staff members.

As depicted on the City Attorney Organizational Chart (Attachment A), the Office is composed of a civil division, a criminal division and the Office of Human Rights.

The duties of the City Attorney are set forth under Section 26 of the Duluth City Charter. The City Attorney manages the overall operation of the Office, handles

certain matters for the City administration and counsel, manages outside council and assists with the legal work of the civil and criminal divisions.

The civil division consists of five attorneys, a paralegal, a claims adjuster and an administrative legal assistant. They handle all civil litigation, the legislative work of the City, advise City officials and employees on civil matters, provide legal services to authorities, boards and commissions, draft contracts and other transactional documents and handle all claims against the City.

The criminal division consists of five attorneys, a portion of a paralegal and a senior secretarial specialist. The criminal division prosecutes all City Code violations, State misdemeanors and certain gross misdemeanor violations, they administers a victim rights program and advise City officials and employees on criminal law related matters. Currently, the division annually makes approximately 5000 court appearances, imposes $1,000,000 in monetary sanctions and obtains over 2000 convictions.

The Office of Human Rights has one officer. Under Chapter 29C of the Duluth City Code, the Human Rights Officer receives complaints of discrimination, investigates complaints, presents evidence, facilitates mediation, supervises staff and secures compliance with the City's Human Rights ordinance. The Human Rights Officer also assists with victim rights matters, is the City's equal employment officer and provides training on sexual harassment and discrimination.

ALLOCATION OF FUNDS BY PROGRAM COMPONENT

In FY 2010, the Office had a total budget of $1,829,581 (Attachment B). Over 94% of the Office budget goes to salaries and benefits.

SWOT ANALYSIS

<u>Internal Strengths</u>: The biggest strength of the Office is its people. Without exception, the individuals that comprise the Office are dedicated to our Mission. Our staff is experienced and resourceful. The Office has recently upgraded its office space, copier/scanner and incorporated five new laptop computers.

<u>Internal Weaknesses</u>:   The biggest weakness of the Office is the lack of resources in comparison to the need for legal assistance. The sheer volume of criminal, transactional and litigation matters overwhelms our ability to accommodate those needs. To compensate, the Office either processes legal matters in a rush, which in turn does not meet our Mission to provide "excellent legal services", or we attempt to handle matters with an appropriate level of attention and fall behind the unending volume of work. Either way, the Office is neither meeting our Mission and values nor is it keeping staff working at a pace necessary to maintain morale and efficiency for the long haul. Some of the inability to handle work volume stems from the long-standing focus on "getting the work done" rather than upgrading the operations of the Office. We can utilize the resources we currently have to more efficiently process work.

This requires better performance tracking. For the criminal division, reacting to the changing nature of the court system and criminal prosecutions, the implementation of the administrative fines program and paperless prosecution, would reduce the number of administrative steps necessary to process a criminal matter. For the civil division, standardizing our contract and transactional processes, incorporating electronic display technology in litigation, better tracking of requests for legal services, better communication with clients as to the status of their requests for legal services and better gate keeping of requests for legal services.

The Office is faced with transitioning of staff as retirements occur over the next five years. We are, in part, addressing this by creating a new job description for a legal secretary. More work, however, is needed in the area of succession planning.

External Opportunities: The Office is exploring a number of external opportunities, from partnering with the Family Justice Center, community prosecution, grant opportunities, training opportunities and the continued use of interns.

External Threats: The Office is faced with a number of external threats, including efforts to entangle us in political disputes. This can tarnish the Office's reputation as advocates for justice and for providing excellent legal services. In addition, threats include the overall lack of City resources due to declining revenues and a spike in the number of lawsuits, grievances and arbitrations due to forces beyond the control of the Office.

WHAT DO WE WANT TO ACHIEVE

The vision for the Office is to provide excellent legal services to our clients in a timely and ethical manner. The Office will achieve that vision through customer service, training and striving to keep pace with the changing legal environment. The Office will focus its role within City operations, improve communications with our clients and incorporate technology and advances in legal practice. At the same time, the Office will improve its performance tracking.

GOALS AND STANDARDS

The Office will continue to hold itself to the highest principles of the legal profession. This includes maintaining high professional and ethical standards.

The Office strives to be a place where attorneys and staff members want to work because of interesting cases, competitive compensation, team mindset, reputation for excellence, strong resources and quality staff.

MAJOR ISSUES AND RECOMMENDED SOLUTIONS

Office Issues

The main issue facing the Office, as a whole, is the transition from a long-standing management model that resembles nine office-sharing, solo practitioners to a fully-integrated law firm. Strides have been made in addressing this issue, including a centralized physical and electronic filing system, weekly staff meetings, annual reviews, new staff and office upgrades such as fresh paint, a new ceiling, art, conference table, and new file room. Going forward, there are a number of solutions yet to be implemented, including an upgraded webpage, billing for our time, office management software, more staff, standardized forms and contracting procedures, an Office procedure manual, better computer resources, training, and an overall better job of organizing the Office's collective information and knowledge.

Civil Division Issues

The main issue concerning the civil division is timeliness and communication regarding transactional and legislative requests. Namely, our clients are frustrated by the length of time it takes from an initial request for legal services to when the end product is delivered. The recommended solution is multifaceted. The Office must manage the expectations of its Clients by providing a realistic estimate of when the work will be completed. The Office should communicate with its clients better by giving periodic updates on the status of requests for legal services, even when nothing has taken place. The Office needs to better triage work on the basis of importance rather than a client's insistence. Finally, the Office needs to streamline its processes to prevent bottlenecks by incorporating form agreements and standardizing Office policies and procedures to empower our clients and avoid inconsistent products and overly customizing individual agreements.

A secondary concern is the efficiency of the Office's litigation activities. The constant distraction of clients makes it difficult for the litigation staff to block out adequate time to focus on a particular case. The Office needs to make better

use of forms and technology in preparing and presenting cases, including electronic display technology. The solutions to these issues come derive training, technology and better client management.

Criminal Division Issues

The main concern regarding the criminal division is the changing nature of the court system. In the last six months, the Duluth court house has radically changed its method of scheduling cases. This is in response to dwindling budgets, shrinking staffing and growing dockets. These changes have, in turn, increased the demands on the criminal division, which is responsible for the bulk of the cases handled in the Duluth courthouse. For example, the criminal division is now attending arraignments. This, and other changes, threatens to overwhelm the criminal division and, as a result, negatively impact our ability to effectively prosecute cases and protect public safety.

The recommended solutions are again multifaceted. A paperless prosecution system and the related concept of auto population will free up attorney and administrative time by reducing the amount of work devoted to creating paper files and entering data into the various databases. The use of administrative fines has reduced the sheer volume of cases in district court. This allows the criminal division to focus on the cases that are not appropriate for the administrative fines process, such as DWIs and domestic abuse. Finally, the Office needs to make better use of the resources it already has by streamlining administrative processes and, possibly, revamping attorney scheduling.

BUSINESS PLAN –

M. I. S.

MANAGEMENT INFORMATION SYSTEMS

Business Plan

City of Duluth

Management Information Systems (MIS)

2011-2012 Business Plan
Prepared by: Paul Johnson, CIO
Submitted: 3/31/11

I. Executive Summary

The City of Duluth's past practices on approaching technology led the City down a path of underfunding and under realizing what opportunities technology could bring to the table. Information technology is the cornerstone of all modern organizations supplying the communication and business systems necessary to perform daily tasks. History has shown that the current environment was a piecemealing of various technologies and an afterthought not part of the process. This does not allow for a purpose built infrastructure capable of supporting the daily demands of our users and lacks technical functionality, creating an environment that is not sustainable and at risk for failure. The current administration has recognized this issue and has taken steps to transform its culture by creating a MIS Department that provides a central coordination point to oversee the building of these services for both internal and external customer needs. They have begun tearing down the silos of departmental decisions and have taken a more holistic approach, which has allowed for increased coordination and alignment of City departments and their technology needs.   Those needs also come from external expectations from the community on how local government should deliver services and provide information beyond regular business hours. Leveraging technology is how we will achieve that goal.

The City's technology infrastructure is similar to remodeling an old house. The first thing you look at in a remodeling project is the foundation, if the foundation is crumbling, the next step in your project would be to fix the foundation, because without a solid foundation, any future repairs are like throwing money away. The City of Duluth's technology infrastructure is crumbling; our technology is at the end of its useful life cycle and in desperate need of upgrading. Just like remodeling a house, the City needs to rebuild from the ground up, starting at the foundation. Rebuilding is the only path forward; we must have a solid technical infrastructure to build on before we can make progress and move forward.

Moving forward the City's goals are to rebuild our technology infrastructure and create a stable and sustainable environment to build on. We are currently at Basic Cost Center and we need to mature our environment to a Dynamic Strategic Asset that our City departments rely on. With City departments looking to do more with less, the MIS department must be ready to support their initiatives, using technology to maximize their efficiencies.
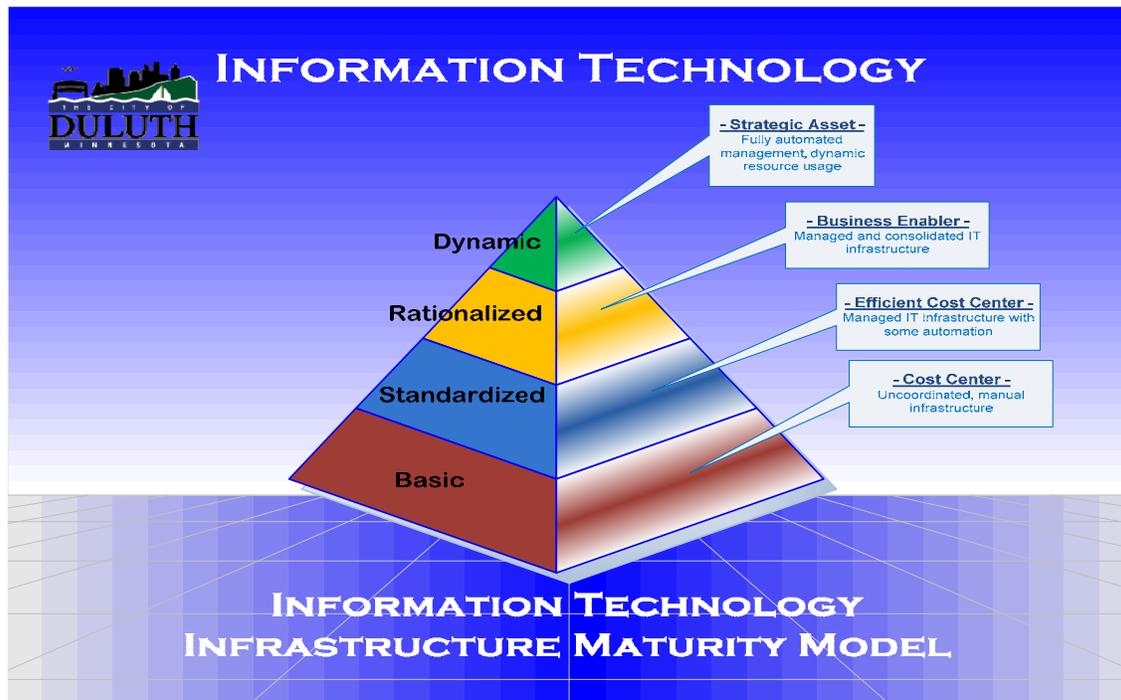
We must move the City's MIS infrastructure from a cost center to a business enabler.

Goals:

1. Rebuild the City of Duluth's Enterprise Architecture
2. Improve Collaboration and Customer Service to City Departments
3. Increase the ability to easily access City services and information
4. Develop an internal MIS Governance model
5. Provide the tools to simplify daily tasks

Throughout this business plan, you will find a theme focused on building a stable foundation, upon which we can grow. Focused on going back to basics, shoring up day-to-day processes and making sure everyone has the tools needed to perform their job at optimum levels. Also making the right investment to ensure our infrastructure is sound and robust enough to enable the next generation of City government. By focusing on these principles, we are creating a working environment, providing focus to enable the MIS department and the City to succeed.

II. WHO ARE WE?

Mission statement

- Our mission is to provide a customer-focused environment that integrates people, processes, and technology to increase the efficiency and effectiveness of the City's services and technology solutions. To align technology investments throughout the City's departments, building standards and developing clear benefits; maintaining a technology infrastructure capable of providing a resilient, scalable, and secure environment, ensuring a stable architecture for future growth. The services we provide are the management, maintenance, and support of all City wide technology assets. We will use those assets to make City government transparent, accessible and secure by enhancing the capabilities of City services and making information available anywhere, anytime.

- To strive for a culture of continuous improvement by maintaining our greatest asset, a well-educated staff who enables us to provide vision, leadership, and a framework for evaluating emerging technologies and implementing proven information technology solutions.

- To raise the level of technical experience throughout the City's staff so they are empowered to employ modern technologies to maximize their organizational benefits.

- To provide leadership for effective strategic and tactical planning with the use of all forms of technology, providing a comprehensive unified cost effective solution.

- To maintain public trust and safe guard the City's reputation we must secure private information through the creation of proper data access polices, standards, and tools.

- Provide our MIS team with an environment that measures you on how fast you learn from your failures. How fast you recover by deploying what you have learned and keep moving forward. Develop a group dynamic that is safe, respectful and always striving to share its combined knowledge, working together to find ways of improving our services and performance to our customers.

Values

- **Responsiveness**: We exist to serve our City. We are committed to finding solutions in a timely manner; we listen, we are empathetic and we take pride in the appropriate action.

- **Honesty and Integrity:** We align our values, words and actions. We are honorable, trustworthy, sincere, and respectful. We consistently go beyond the minimum to do what is right.

- **Accountability:** We take responsibility for our decisions and actions. We are fiscally accountable to our City and to each other. We are advocates for the customers.   We take ownership in their needs and we stay on the customer's side focusing on the deliverable.

- **Excellence:** We deliver the best service possible and we are committed to quality outcomes. We strive to exceed expectations and to bring out the best in each other.

- **Open, Clear and Frequent Communications:** We seek shared understanding with our users. We are engaged and our interactions are meaningful. We believe in participatory governance and transparent processes. We listen to our customer expectations and adapt our approach to match those expectations.

- **Innovation:** We are flexible and adaptive to the ever-changing needs of our users. We are willing to seek non-traditional solutions and we embrace creativity.

- **Diversity and Inclusiveness:** We value the strengths that result from varied experiences, ideas and perspectives. Our collective histories create the fabric that is the MIS department.

Business/Program Structure

MIS is a customer centric organization, requiring close collaboration with its customers to understand the services needed to support them while striving to stay in alignment with their maturing needs.   MIS provides technology services and support to internal City departments.   Fundamentally, the three divisions all performing similar general tasks, which are managing the systematic change of our technological environments and providing end users support, however each division has different area of expertise in those processes.

General over view of MIS tasks:

- Maintenance, of equipment and applications by performing configuration changes, patches, and upgrades.

- Support, of end users use of equipment, applications, and requests.

- Change Management, the documentation and systematic modification of our technology equipment, applications, and environment.

Since the underlying goal of MIS is to manage technology and its associated modifications that departments require, the MIS department needs to become experts in the process of managing change, as everything we do is change. Whether it is installing a patch or implementing a software system, these are all changes to the status quo. Therefore, if we build repeatable processes and procedures around these different change events it will enable us to perform these tasks more efficiently. If we continue to modify these procedures looking for new and better ways of achieving these goals, we begin to set the wheels in motion for implementing a culture of continuous improvement. The foundation of this transformation is the basic belief that the only thing constant is change, so we must become experts in managing change to achieve success.

Department history

In 2010 MIS was transformed into a full Department. The City's current administration realized the need to modernize and advance the City's current Enterprise Architecture. With this commitment to technological advancements, the Administration recognized that the only path to success was to ensure that MIS was coordinating these efforts and

had solidified a seat at the directors table to better assist with the alignment of these decisions.

Organization of the Department

The MIS department receives it funding through the City's General Fund. Recently the department has begun a reorganization of it functional areas, which will continue, as funding is available. MIS is now composed of three major divisions that provide unique services and areas of expertise to the city.

2010 Divisional Staff Counts

- Administration
- Desktop Support Staff
- Infrastructures & Operations
- Application Development and Support

12%
44%
25%
19%
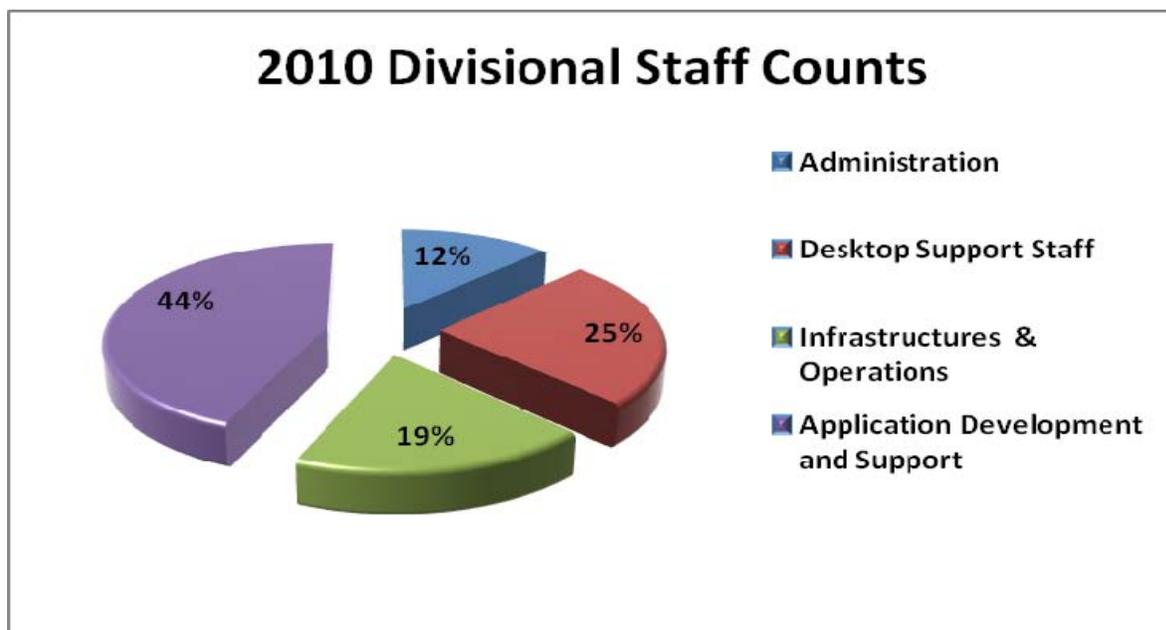
Infrastructures and Operations division:

- Maintain the electronic communications systems
  - Phone System
  - Video
  - Mobile
  - Assists with Radio Communications
  - Email System

- Network connectivity and security access
- Continually works to maintain compliancy with the various regulatory entities (FBI, BCA, MS State Auditor, HIPPA, PCI, etc.)
- Support end users
- Network operating systems
- Server maintenance updates
- Storage area network and enterprise backup
- To build and perform procedures to safely implement changes to the City's infrastructure
- Perform systematic modification to our technology equipment, applications and environment, to provide an auditable history of those changes

Desktop Support Division:

- Assistance in developing desktop standards and aligning those with the needs of City departments
- Works with the department on special technology projects
- Answers MIS helpdesk requests and triages issues to bring timely solutions to end users problems
- Provides end user support and basic training for all desktop applications, PC's, & Laptops
- Trains employees on computer basics, office productivity software and specialized software individual to each department. Provides training facilities for vendor use.
- Manages the installation and monitoring of software, hardware, and peripherals

Application Development and Support Division: This division made up of three functional areas, each has their own areas of responsibilities:

- Geographical Information System (GIS):

    o Provide Administrative services to the GIS database

    o Administrate the GIS environment providing standards and users training

    o Provide GIS maps to the public, private, and business entities

- o   Maintain application interfaces with other enterprise applications

- o   Provide GIS analysis services to both internal and external customers

- Application Development and Business Systems Support:

  - o   Maintaining our off the shelf enterprise applications such as the City's Finance, HR/Payroll, Utility Management, Asset Management, and Land Management applications as well as our custom built applications and interfaces.

  - o   Supporting our end users in how to use our enterprise business applications

  - o   To maintain the applications, provide proper testing and development environments prior to the implementation into the production environments.

  - o   Document functional and technical capabilities of business systems

  - o   Cooperate with the Infrastructures and Operation group to implement and maintain proper security levels within various enterprise applications in accordance with industry and regulatory best practices.

- Web & Graphic Development:

  - o   Provide design concepts that meet with the City's overall web presence goals

  - o   Maintain all web based environments

  - o   Provide support of end users and education for self service

  - o   Design and build graphics and content for various web and marketing initiatives

Key Operational Functions

Desktop Support Division

Function	Percentage
Troubleshoot & Repair	35%
Special Projects	25%
Software Upgrades	10%
Computer Replacement & Deployment	30%

Infrastructures and Operations Division

Function	Percentage
Analysis, R & D	10%
Special Projects	25%
End User Support	45%
Maint. Comm, Server, Network	20%

Application Development & Support

Category	Percentage
Application Development	35%
Implement Special Projects	25%
End Users Support	20%
Maint. Business Systems	20%

0% 5% 10% 15% 20% 25% 30% 35%

Geographical Information System

Category	Percentage
Data Analysis & Editing	30%
Application Integration	35%
Map Creation	15%
End User Training	5%
Database Administration	15%

0% 5% 10% 15% 20% 25% 30% 35%

Web & Graphic Development

Category	Percentage
End User Support	15%
Special Projects	30%
Graphics and Content Creation	25%
Web Development & Maint.	30%

Axis: 0% 5% 10% 15% 20% 25% 30%

Organizational Chart

City of Duluth
Management Information Systems
Organizational Chart 2011

Chief Information Officer

Information Technician

Manager of Application Development & Support

Manager of IT Infrastructures & Operations

Manager of IT Desktop Support

Database Administrator

Sr. Web Programmer Analyst

Programmer Analyst

GIS Specialist

Senior System Administrator

Mobile Data Specialist

Network Administrator

Support Analyst

Senior Programmer Analyst

Graphics Coordinator

Programmer Analyst

GIS Specialist

System Administrator

Network Administrator

Support Analyst

Application Administrator

Support Analyst

Significant Trends and Changes

<u>E-Government (GOV 2.0)</u>: is the term to describe how governmental agencies utilize technology to enhance the efficiency and effectiveness of its interaction with citizens. The trend is to allow anyone visiting the City's website to communicate and interact with City employees through various web based applications. The focus is information sharing and simple communications; a self-serving capability that continuously optimizes the level of service delivered.

The roadblocks in this transformation are the current state of business systems needed to support these types of integration; they are not as mature as needed to ensure no duplicate effort is required to interact at these transparent levels. Time will solve this issue, as vendors struggle to catch up to these expectations. Benefits to the public by

obtaining easy access to the most current information without having to spend time, energy and money to get it will continue to push this trend forward. Watching this trend mature and aligning our City's vision and infrastructure to match, will pay dividends well into the future.

Unified Communications (UC): UC is the next evolution in communication technology. However, UC should not be viewed as a product, but as an approach to managing multimodal user collaboration. It has the potential to eliminate phone systems or at least the way you have traditionally thought of them, as UC is all software. UC is a suite of capabilities that provide for a single unified interface and experience across multiple devices.   Some of the specific services UC could provide are, instant messaging, presence information, speech recognition, IP telephony, video conferencing, data sharing, call control, and unified messaging (voicemail, email, fax, and SMS).   Because UC is one suite, one piece of software, you can receive an email message and choose to access it over voicemail letting UC read you the email.   The other change is no more standard phone lines, UC run completely on your IP network; phone calls go in and out over your internet connection.

Virtual Desktop Interface (VDI): Currently the City has implemented a computer refresh initiative to replace computers in a 4-year rotation. This program is a huge benefit for both the end-users who receive faster equipment, reducing the risk of failure and also benefits the MIS team as the costs for maintaining computer equipment beyond its warranty period becomes expensive and increases the number of support incidents. There is a down side to this rotation, which is the effort to setup these new computers for each person often times takes up to four hours to deploy and up until now, there were not many alternatives to this pain point. Desktop virtualization is a game changer; it separates the personal computer desktop environment from the physical machine using specialized software and a client-server model. Simply stated, it stores your operating system and applications out on the server leaving you a small inexpensive device on your desktop that is nothing more than a place to plug in your keyboard, mouse, network cable, and monitor, everything else happens back on the server. There are several benefits to this technology; the one that has our attention is the capability to extend our investment for desktops from the4-year rotation to possibly a 7-year replacement plan by leveraging this technology. Because everything resides on the

server, you control all the operating systems and applications from one location, enabling you to make change rapidly.

Mobile Devices: End user are pushing to become more mobile, demanding full office functionality and access regardless of where they are or what equipment they are using. This will challenge data privacy policies and will require MIS departments to focus on deploying new technologies to control, support, and manage these devices to allow the same level of security and audit capability that traditional equipment already has in place.

Connectivity: Having the ability for City staff to stay connected back to their business systems at City Hall regardless of where they are in the City is becoming more of a need than a nice to have. Whether it is a Police Squad car or a Public Works and Utilities truck the need is the same, secure, reliable, connectivity. Currently the best way to accomplish this task is to use a cellular based air card that provides a limited bandwidth connection and a reoccurring monthly fee. These air cards just do not allow for the performance necessary for many of the applications the City current has in place.   For example, there are needs to be able to collect and stream surveillance video over these mobile connections.   Some other City's have rallied their citizens and created City wide secure wireless infrastructure capable of meeting those needs of both public and private sectors. Some of these endeavors have been backed by public money and then implemented and ran by private organizations.

Because of ongoing investments in the City's business system these high bandwidth applications are not limited to just mobile devices but are also driving the requirements to the dozens of the City facilities spread across Duluth including some very rural areas. Traditionally getting the necessary high-speed connections to our various facilities often were not within our budgetary constraints due to build out costs or if the ISP was capable of providing high-speed connectivity the monthly reoccurring cost often pushed these options out of reach. Fortunately, the USDA provided grants to increase the nation's broadband capabilities under the 2009 American Recovery and Reinvestment Act (ARRA) these grants have spawned development and construction of thousands of miles of fiber optics, focused on connecting critical services throughout regions. These grants are game changers for the City, by allowing fiber to be installed to our critical facilities providing 100 times the performance we currently are financially capable of supporting.

<u>Hosted or Cloud based applications</u>: As internet speed continue to increase this opens the door for the development of applications that traditionally were run on premise in your server room, to an internet base service capable of delivering the same functionality at a higher service level then you are currently capable of producing.   A good example of this would be an email server, normally you would have two to three servers running your email system all of which your staff would have to not only administer but also perform upgrades, patches, and trouble shoot issues.   In a hosted email environment, your staff will be able to focus on the basic administration and leave the patching, and upgrading to the service provider allowing staff to focus on value added activities.   A secondary benefit come from within the data center itself by removing those email servers you are reducing the power and cooling consumption, freeing up valuable space in your data center.

SWOT Analysis

Internal Strengths	Internal Weaknesses
• Experienced, versatile, and dedicated staff	• MIS Staff not trained on latest technologies
• Knowledge of City's departmental operations	• End users need computer fundamental training
• Healthy Virtualized Server environment	• Work Order System (Incident, Problem, and Change Management System)
• Storage area network capable to expand to meet our growth needs	• Lack of issue escalation procedures
• Network monitoring and proactive notification alerts	• Basic Service level agreements are not in place
• Centralized procurement of IT products and services ensuring alignment, standardization, and optimum pricing	• Staffing Ratio to users, locations, applications, and equipment
	• Current Network Operating System
• Supportive Administration	• Lack Expertise in Active Directory
• System Designed for growth and sustainability	• Enterprise backup solution
	• IT Governance
• Computer Life Cycle Replacement Plan	• Email System, E-Discovery challenges
• Team attitude, supportive and respectful of each other	• Database administration
	• Web Content Management System
• GIS environment is updated and ready to support expanded services	• Document Management System
	• Network Design and age of

	• equipment
	• Lacking Centrally managed desktop environment with the ability to push patches, images, upgrades, new software, and virus protection
	• Automated and Centralized inventory collection system
	• Server room size, cooling, security, power, and network cable management
	• Limited network connectivity to City facilities
	• No current Disaster Recovery site built or funded
	• Limits of existing network copper and fiber lines within City facilities
External Opportunities	**External Threats**
• On line training for staff • Provide end user training through various local sources • Wealth of local vendors to augment staff expertise, and assist with technology planning and implementation • State contracts	• Mobile secure access • Changes in Bureau of Criminal Apprehension CJDN policies • State Funding Cuts • St. Louis county Radio Shop • State data retention requirements • State Auditors –Control Objectives

• MN Office of Enterprise Technologies hosted applications • Excellent relationships with St. Louis County IT staff and other local IT shops (UMD, MNPower, Essentia, etc.) • Opportunities to explore integration with St. Louis County IT • NESC Middle Mile Project (ARRA Grant) • Hosted environments and applications (Cloud Computing) • Grant Funded Technology Projects	• Cyber Crime • Robustness of network providers • Silo's of Technology decision making without MIS involvement • Civil Service hiring process

III.   OPERATIONS

Revenues

MIS revenue sources have little to no impact on the annual budget; they are focused solely on meeting the needs and requests of the public.

Revenue Source	2008 Actual	2009 Actual	2010 Approved	2011 Proposed
Assessment Cost Services	1,629	3,864	2,500	2,500
MIS Services	2,135	2,766	2,500	1,500
Division Total	**3,764**	**6,630**	**5,000**	**4,000**

Assessment Cost Services are a collection of charges for a subscription to the Assessors website allowing custom searches of parcels that have sold within user-defined parameters. The main customers of these services typically are real estate appraisers.

MIS services are the fees collected from our customers' requests to print standard and custom GIS maps. We provide GIS analysis services to both internal and external customers. There also could be fees collected for any data requests requiring staff time and equipment charges to fulfill.

Personnel

The MIS staff is a group of professionals who desperately want training in the latest technologies. Due to underfunding in the past, their technical abilities have decreased but their aptitude has not. In the technology field, the only thing that is constant is change, everyday something new is being developed or a standard is becoming obsolete.   It is imperative that the MIS staff receives continuous training to allow the City to reduce our reliance on external consulting whenever possible.

Moving forward as part of the MIS reorganization, there will be managers over each of the three divisions, part of their annual duties will be to ensure there are skills inventory and competency maps created outlining deficiencies and creating a training plan to eliminate these holes in our skill sets.

Many of the MIS job descriptions have not been updated for years and contain skills and requirements that are no longer current or needed.   Challenges around the modifications of job descriptions due to the process required often deter the initiative. There are not clearly defined internal career paths created allowing for a structured advancement based on performance and knowledge.

Pay scales are not in line with private industries even after taking in to account the City's excellent benefits packages. This creates a difficult environment to recruit and attract competent individuals, coupled with the time to move through the Civil Service process, which ultimately deters potential applicants from applying.   Management positions are roughly 20% off industry standard pay scales.

MIS Staffing

Year	Staffing
2006	13
2007	14
2008	16
2009	18
2010	16
Budget 2011	22
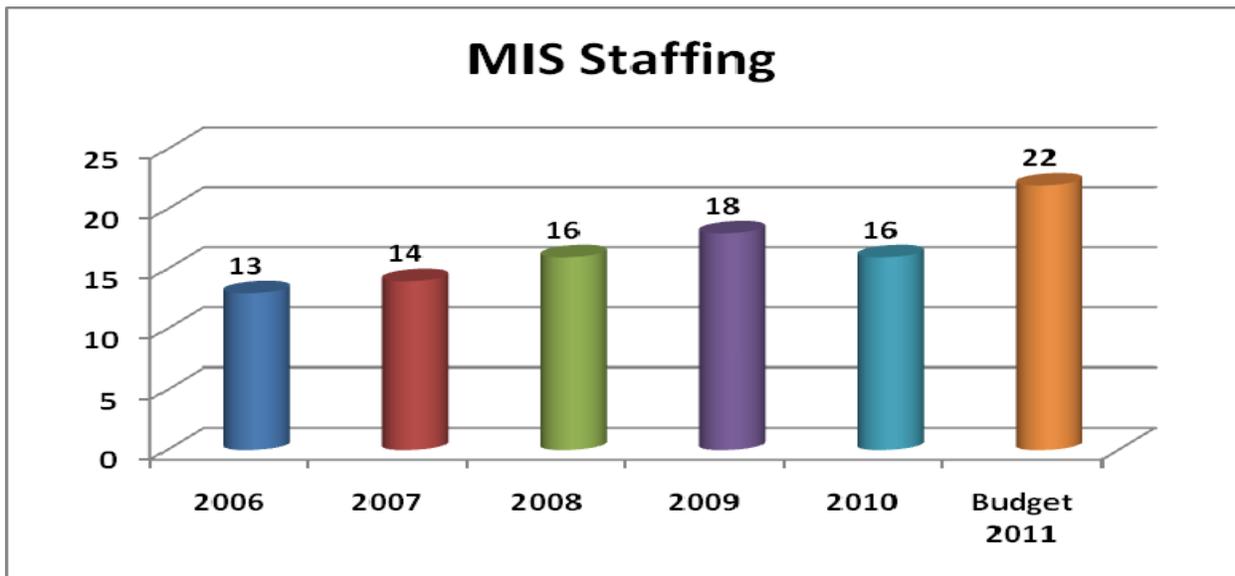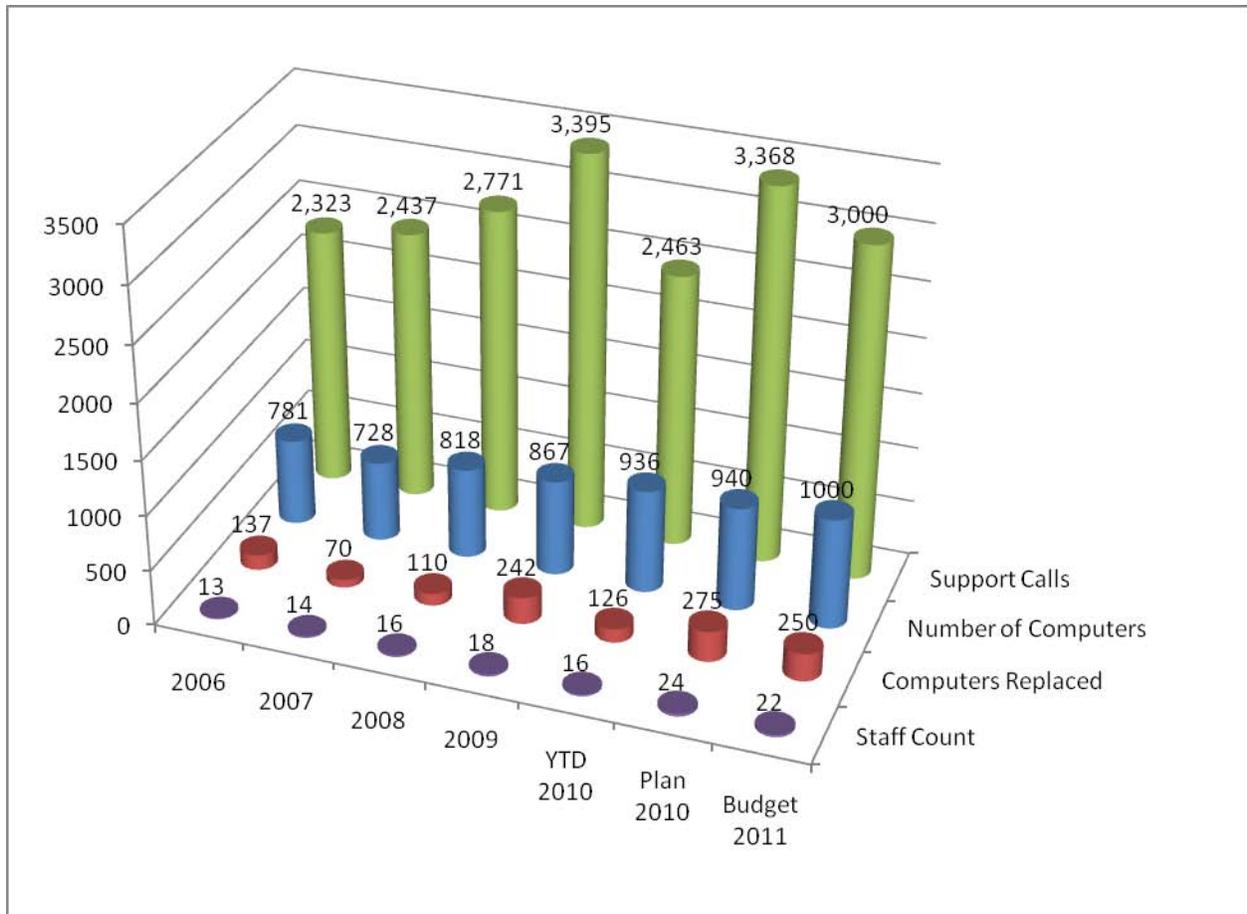
Key Expenses

The three key expense components within the MIS Department budget consist of Personnel Services, Employee Benefits, and Other Expenditures. As with most service-oriented operations, the majority of the MIS budget consists of employee related expenses such as salaries and benefits. The other expenditures component is comprised of expenses for the support and maintenance for enterprise level equipment and software licensing. In addition to that, costs for connectivity, centralized printing, and professional services expenses for use in design and repair services round out the major areas of this component.

Expenses
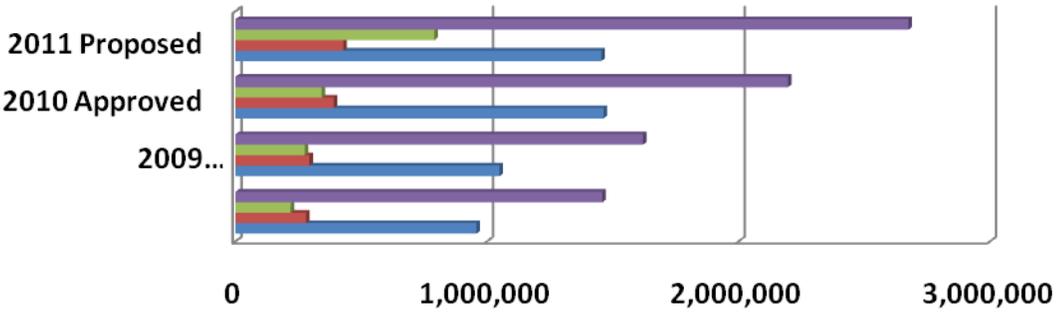
	2008 Actual	2009 Actual	2010 Approved	2011 Proposed
Division Total	1,459,018	1,620,302	2,197,200	2,675,700
Other Expenditures	219,556	276,141	343,200	791,300
Employee Benefits	281,079	294,201	390,700	429,400
Personal Services	958,383	1,049,960	1,463,300	1,455,000

Proposed MIS Operational 2011 Budget

Data Services 5%
Travel & Training 1%
Other (Misc.) 4%
Professional Services 4%
Computer Supplies & Software 15%
Overtime 1%
Benefits 16%
Salaries 54%
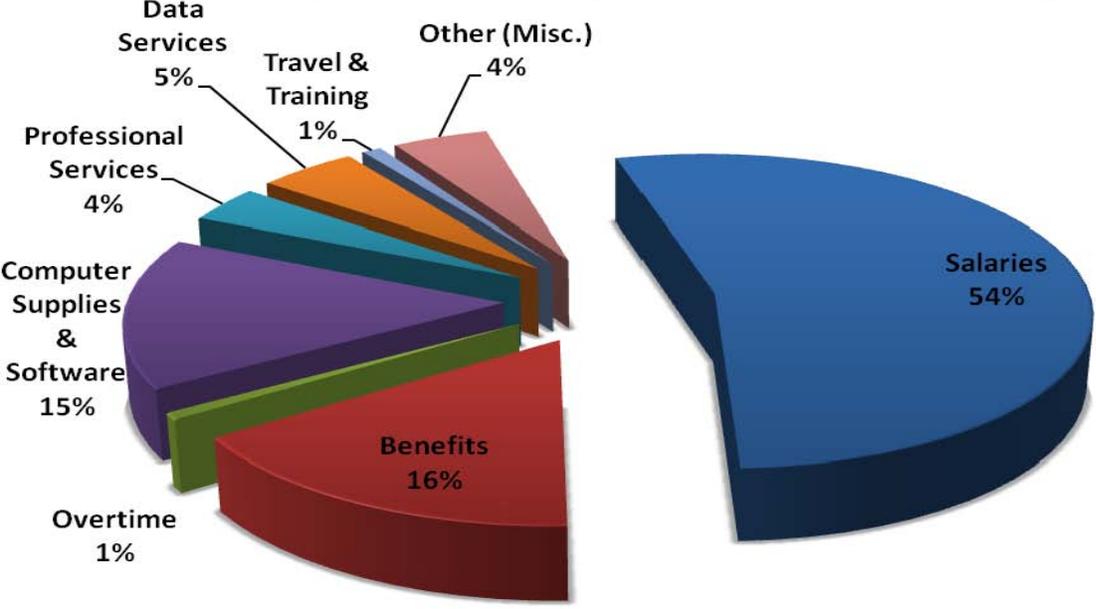
Computer supplies and software: This is made up of software licenses for enterprise applications, the number has been increased to accomdate our software usage as we enter into a license agreement with Mircosoft.

Professional services: These are the cost associtated with hiring implementation professionals to assit us in network operating system migration.

Overtime: We often only have off period windows of time to perform maintance, this coupled with the network operating system migratioin, which will largely be performed in off hours, minimizing the number ot departmental interuptions, leading to the increase in the overtime budget.

Data Services: Cost of Internet, network, and phone connectivey for all City facilites.

Training: Training is one of the cornerstones in our future success therefore we have inceased our training budget to accomidate the new technologies we will be implementing this year. This will be an ongoing cost moving forward to ensure our staff is trained in the latest technolgy enabling us to make contiueing technolgy improvements and course corrections based on industy and technlogy capablities.

Location & Facility

The current City Hall network wiring, both copper and fiber are not capable of handling the bandwidth capacities and performance specification of current network equipment. Most of the copper wiring is out of specification and no longer would meet current low voltage codes. The lack of labeling and organization of these network drops causes hours of wasted effort when there are moves, additions, or changes to any area within the facility. We must rewire the fiber optics first, adding the additional closets needed to ensure proper specification for the rewiring of copper lines. All wiring will be labeled and follow proper low voltage codes for distance, support, raceways, and fire stops.

The current network operations center (NOC) was design for supporting mainframe vintage equipment, which does not support current high-density requirements of modern network and server equipment. The 20+ year old room needs a new floor,

improved cooling and airflow, cable management, repairs to the ceiling, power management, uninterruptable power, standard network racks, improved room security, a small expansion and fire suppression modifications.

Current physical office space does not allow for the needed staging areas for Network equipment, PCs and Servers. Inadequate space has lead to unnecessary travel time between equipment and tool locations. The lack of functional area storage, limits the ability to organize workflows. These types of waste coupled with non-standard staffing ratios leads to increased inefficiencies.   With the planned addition of new staff, these inefficiencies continue to grow complicating this issue.

Currently the City of does not have a back up data center putting the City at risk if there is a catastrophic failure at the primary data center. The impact of a major failure would put public safety services and many other City services down for an unforeseeable period. Fortunately, as part of the new Police headquarters the City has decided to build a small purpose built data center as part of the new construction, this data center will be a shared facility with St. Louis County providing enough space for both entities to co-locate and meet the needs of a disaster recovery site. The City will have to fund the necessary replication equipment in the future to complete the capabilities and make the site operational.

Legal issues

Increased requests for information from litigation, commonly called e-discovery are becoming burden sum and increasingly complex. With the current email system, automation tools are very limited to non-existing making the discoveries a very hands-on manual process. Migrating to a new email system will increase our ability to automate the process providing quicker response and a more efficient processes.

Ensuring compliancy with various software products has become increasingly difficult to manage manually. Implementing a centrally managed desktop support environment, will automate our abilities to monitor inventory, and software licenses real time ensuring compliance.

Implementing a departmental data practice standard which classifies all the data your department creates, is the first step to facilitating the creation of a record management policy. This will enable MIS to applying the correct access rights to data

and a retention schedule outlining how long the data will need to be stored. This type of information is critical to MIS when determining backup strategies and necessary storage capacities.

Bureau of Criminal Apprehension (BCA) is an organization that works with law enforcement and public safety agencies to provide policies and services to prevent and solve crimes. MIS interacts with this group focused on obligated compliancy of securing the communications and transport of public safety data, and environments. These BCA and Criminal Justice Data Networks (CJDN) policies often have large impacts on internal network design, budgetary and policy driven costs that often put the City into a reactionary position to implement changes to these policies.

Key Customers

The customer base of MIS is comprised of all the various City departments. Due to the physical numbers and scope of technology needs, the two major technology customers are Public Works and Utilities and the Duluth Police Department. The MIS Department is responsible for the City's website presence, which serves as a critical communications avenue to the citizens of Duluth, as well as through our technology offerings to the various City departments who directly serve the citizens of our City.

Key Suppliers

Microsoft is the vendor of our desktop operation system, primary desktop publishing tools, and network operating systems. The anticipated enterprise agreement would allow us to lock in our annual support cost for six years. Therefore, the costs for this software maintenance is known during that agreement with the exception of additional software purchases.   The services Microsoft provides are not at risk for becoming obsolete and the company has a solid financial forecast.

Other key suppliers are Hewlett Packard, Cisco, VMWare, Netapp, and Lenovo. All of these suppliers of equipment and software are financially sound companies with proven product line offerings.

Capital Expenditures

<u>**Capital Equipment needs**</u>:

<u>Microsoft Software</u>, – MIS needs to enter into an Enterprise Agreement (EA) for our Microsoft products to standardize on the Microsoft suite of applications. By doing so, it will enable the City to streamline our processes and minimize overall maintenance costs through the standardization of a single platform. By entering into an EA, MIS will be better able to monitor and ensure license compliancy.

<u>DR Data Center</u> - The City needs to implement a disaster recovery data center to ensure the City has a full and comprehensive plan for disaster recovery from a technology perspective.

<u>Enterprise Print Management</u> – The City needs to implement an enterprise print management solution to more effectively manage our many print resources. By implementing a centralized enterprise wide print management solution, the City will save money on equipment, supplies, as well as the centralized support and maintenance costs associated with this equipment and software.

<u>Email System</u> – The City will be moving to a Microsoft platform to meet the ever-growing demand for better mobile device integration, reduced administration, and improved end user interfaces.

<u>Phone System</u> – MIS will continue to implement and expand upon our IP based phone system to take advantage of Unified Communications and other emerging technologies.

<u>Enterprise Backup</u> – MIS will be implementing an enterprise level backup system to ensure backups are completed in the most efficient manner possible, as well as to take advantage of the ease and timesavings of a centralized management system.

<u>Helpdesk System</u> – MIS will be implementing a helpdesk system to be able to adequately track and report on incidents and projects that are requested of MIS staff resources.

Computers Life Cycle

■ Computers

Category	Computers
Less 3 Years	323
4 Years	297
5 Years	187
6 Years	117
7 Years	16
8 Years	0
9 Years	0
10+ Years	0
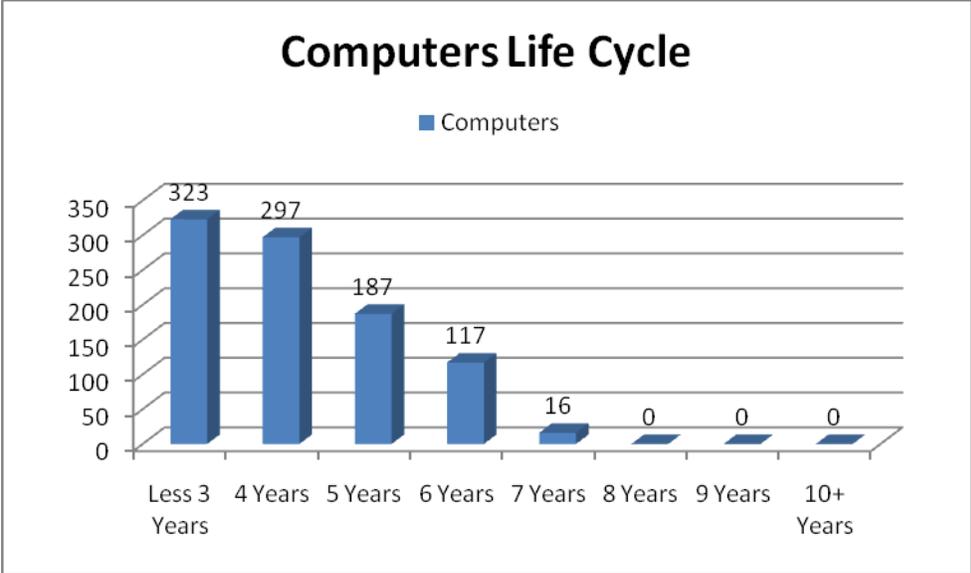
Replacement PC – The City has a four-year PC replacement plan, which ensures machines are rotated out, meeting the needs of our users and systems as technology advances.

Network Storage – MIS will be expanding our storage solution to meet the ever-growing data storage needs of our user departments.

Network Equipment Life Cycle
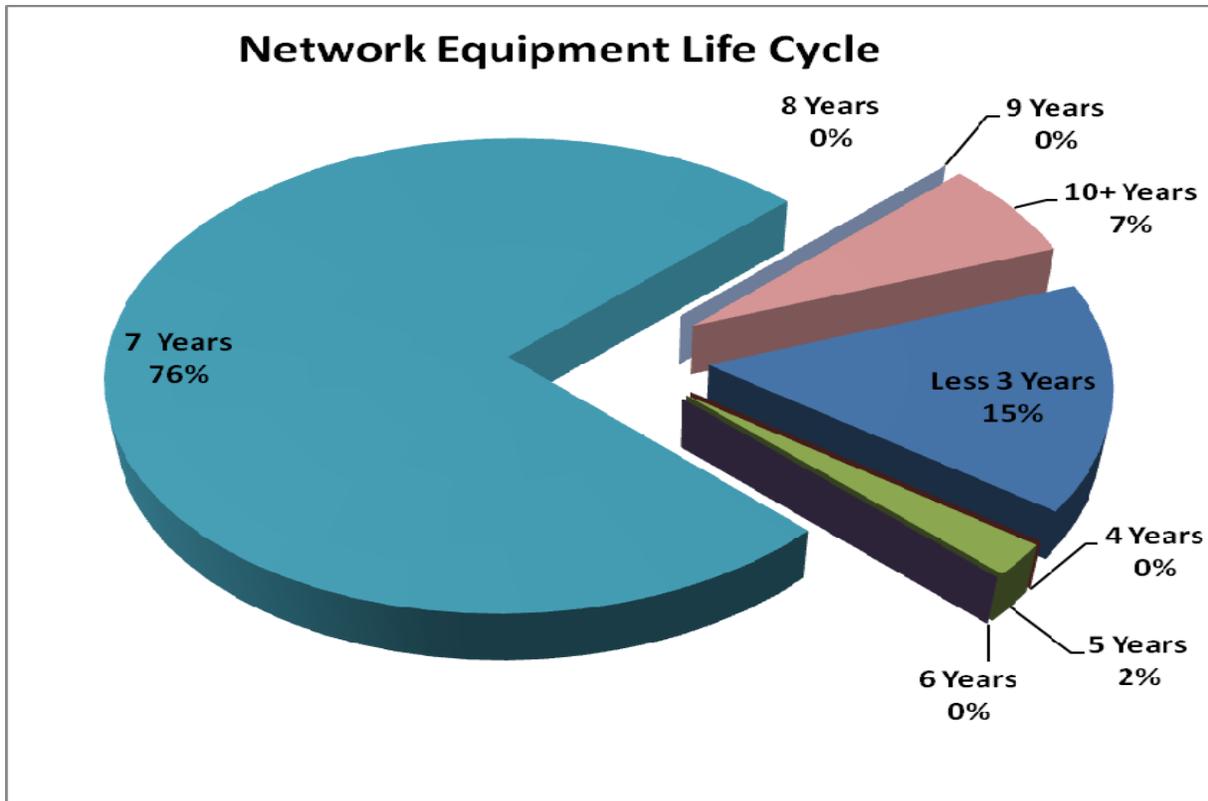
Network Refresh – MIS has planned a network refresh and will be implementing this to replace end of life equipment and be able to take advantage of emerging technologies.

Web Content Management System – The City is in need of a web content management system to allow for ease in managing the many areas of web content in a more efficient manner. By implementing such a system, it would help to ensure design consistency, allow the ability to easily control access, and allow for dynamic content with the ability to schedule content.

Wireless infrastructure – Wireless infrastructure is needed to allow for greater access to our City's systems at various locations while incurring minimal or no monthly ongoing connectivity charges. By implementing this technology solution, MIS would be able to centrally manage all of our wireless technology offerings from a single point.

Document Management System – The City needs to implement a document management solution to allow for centralized storage and retrieval of the City's data. Such a system would allow for greater and faster access to data as well as ease the retrieval process of data. This technology ensures improved compliancy with our regulatory entities while offering greater customer service to our user departments.

Helpdesk change management software – MIS will be implementing a change management system to track user requests and system changes made to both hardware and software systems.

Server Replacement Life Cycle - Much of the City's server infrastructure is outdated and MIS has begun the process of moving our server environment to a virtual environment. This allows us to take advantage of cost savings in energy conservation as well as space needed in our data center.

Capital Improvement needs:

Fiber optics – The fiber lines that run from the network closets in City Hall to the Network Operating Center (NOC) need to be replace to support the higher performance capabilities of modern network equipment.

Air Conditioning – The air conditioning in the NOC currently is over 20 years old, the maintenance costs to keep the unit functional continue to rise as due the breakdowns. It does not provide the level of redundancy we need to maintain the NOC cooling nor does it providing enough cooling for the new style high-density server environment we currently have.

Network Wiring – The phone and network wiring within City Hall and many other City facilities will not meet current wiring specifications nor would it pass the current low voltage codes.

Office space - Lack of staging areas, functional area storage and cubical space for new employees leads to a high level of inefficiency when performing daily tasks.

Inventory

The MIS department does stock a few small items that aid in the daily break fix issues that come up. We also have a few network switches and routers that are spares and can quickly be deployed in case of a failure.

IV. WHAT DO WE WANT TO ACHIEVE/WHAT DO WE WANT TO BECOME?

Vision

The MIS Departments vision is to lead the City of Duluth with fiscally responsible, innovative ways of delivering timely, efficient, forward-looking, effective, and secure technology solutions and services.

Five-Year Goals & Objectives

Goal	Objective	Tactics	Measurement
Infrastructure Modernization	100% migration off of Novell NOS 100% Migration off Novell GroupWise Stable environment to build on	Entering into a MS Enterprise Agreement Migrate to the Microsoft Network Operating System (NOS) Leveraging external Consulting to assist in transition Online Training to familiarize the staff on the new NOS Training internal staff	Percent Complete against total migration
Helpdesk & Change Management System	Improve Customer Service and response time	Purchase a ITIL Compliant helpdesk system	Help Desk Metrics Auditable

	Automate the change process Manage configuration of it resources Single system to audit and enforce security configurations ITIL Service desk to improve service delivery Employee self service & knowledgebase	Implement phase of functionality Write policies to match capabilities and procedures to ensure proper data collection	Documentation of environmental changes
Network Refresh	Replace all network equipment at or beyond end of life status Redesign connectivity Improve performance High availability, resilient	Inventory Equipment Assess methods current and future connectivity Design for higher bandwidth requirements and increase fault tolerances	Measure Replacement against equipment life cycle
Business Continuity Plan	Provide a single application to perform backups and data de-duplication Disaster Recovery	Leverage the New Police HQ's as our DR site Implement software to ensure the completeness and robustness of	Monthly Backup Audits Backup policies and procedures DR site on line

	(DR) Site Build RTO & RPO Enterprise Backup	backups Improved	New Backup Application on line
IT Governance	Adopt a subset of COBIT standards Adopt ITIL best practices framework	Began Training on Frameworks Began documenting Processes and remediation points	Remediation List Created against Percent complete
Gov 2.0	Provide applications and presence that enables transparent, accessible, and secure access to the City's services and information. Web accessible GIS Map	Implementation of a hosted web content management system Customer portal	Site On-Line
Automation Tools	Reduce administrative and support time Increase response time Remote Desktop Control	Deploy as part of our Microsoft EA, a tool called SCCM Implement an new virus protection suite	License Reports Hardware Reports Software Usage Reports

	Centrally manage patches, software deployments, virus protection, & images Automated system level inventory of hardware & software License Management		Metrics – Update, Patch, and Definitions

V. HOW ARE WE GOING TO GET THERE?

Major Issues and Recommended Solutions

Issue 1 – Infrastructure Modernization: Network operating system (NOS), limitations of our current NOS has prevented the City from implementing several controls normally found in a modern IT shops. The lack of development and automation tools for the current NOS continually increase the administrative time to keep the environment secure and running as expected.   Major enterprise business applications require Microsoft's active directory, which has forced the City to implement and manage both NOS systems adding to the administrative burden and complexity of the current environment.

Email System: similar to our current NOS, our email system is no longer considered an industry standard. Product upgrades have been slow to market lagging years behind customer expectations of desired functionality. The majority of these issues are coupled around limited remote and mobile device support, the lack of robust management tools for email archiving and E-Discovery, slow adoption to new operating systems and the client side software is not considered user friendly.

Solution: Migration from our current network operating system to a single Microsoft NOS will allow integration that only a Windows based infrastructure can produce.   This migration will enable the City to take advantage of several automation tools, improved central management, rich integrated applications, a large partner ecosystem, industry leading technology development, and an improved security model.

In a parallel implementation path, the City will begin migrating to Microsoft's email system, which will allow us to expand the capabilities of what mobile devices we can securely support. It would simplify our email archiving and E-Discovery with standard built in features. It would provide a foundation for future unified communication (UC) development projects.   It could be deployed as a cloud based hosted environment lightening administrative overhead or as a traditional on premise environment depending on how our needs align with its capabilities as we progress though the evaluation procedures.

Secondary benefits: The City will enter into an Enterprise Agreement with Microsoft providing the software necessary to make these migrations proceed. This licensing agreement will also provide the City the software to solve several other pain points the City has like non-standard desktop applications and operating systems. Lack of central administration and automation tools that provide the City with the ability to remotely control users desktops allowing the Desktop support staff to respond quicker and solve many issues without having to travel to the users workstation.   Other benefits will include centrally managed software images, patching, virus definition deployment, system level inventory of hardware and software, remote software deployment, and license management.

Issue 2 - **Network Refresh**: The age of our network equipment has put the City at risk, the majority of our network equipment is either at the end of its life cycle or within months of being there, meaning that there is no longer support and parts available, putting the City at a very high risk that a major service outage could be incurred if a failure happens.   The current equipment also is not capable of handling the bandwidth capacities, configurations, and the connectivity required between City facilities. The current network environment was not developed to support the changes in requirements as new functionality and business systems were brought online. These new requirements and dependencies on the networks capabilities to provide a highly available fault tolerant environment were never factored in the original design nor were they funded as part of the changes , this has only added a layer of complexity to our already high-risk environment. Several of these new business systems had to develop their own external networks from the City's network due to the limitations of current configuration options. These external networks require additional administrative effort to maintain their current integration and accessibility.

Solutions: Replace and Redesign the City's Network Environments, this multiyear implementation will be deployed in phases due to the costs, complexity, and focus on replacing highest risk equipment first.   It will also take into account the opportunities of various high speed grant funded fiber initiatives enabling the City to provide a level of connectivity to City facilities it could not normally afford without these stimulus grants. This redesign must provide a scalable environment providing redundancy whenever possible, reduced network administration by standardizing on equipment, implementation of network monitoring technologies enabling a proactive capability to analyze network performance, flexible configuration, increase backbone capacity

between closets, improved network performance for remote facilities and from desktop to servers. We must also ensure the staff is properly trained to support this new equipment, develop maintenance schedules and deploy procedures to manage the changes to the environment moving forward.

Issue 2 – IT Governance, IT Governance is a broad issue that covers how you align your IT resources down to the controls and procedures you have in place to maintain your daily operations. Governance is about turning MIS into a strategic asset from a pure cost center, making it an enabler to improve organizational operations. The fundamentals of MIS must be in place in order to make this strategic transformation within the organization. Those basic foundational policies, procedures, and controls, must be developed in order to mature and maintain the enterprise architecture that is being implemented. Without those fundamental building blocks, we will not be able to successfully and systematically manage changes to our technological environment and business systems. Currently the City has not adopted a governance framework, therefore the controls, standard operating procedures, and policies are not in place.

Solution: Adoption of standard governance framework like Control Objectives for Information and Related Technology, better known as COBIT, provides managers, auditors, and IT users with a set of generally accepted measures, indicators, processes and best practices, to assist them in maximizing the benefits derived through the use of information technology. COBIT is a structure of relationship and processes to direct and control the organization in order to achieve the City's goals by adding value while balancing risk versus return over MIS and its processes.

COBIT's consist of 34 high level processes, covering 318 control objectives, which are categorized in four domains:
- Planning and Organization
- Acquisition and Implementation
- Delivery and Support
- Monitoring and Evaluation

The adoption of COBIT would help align MIS with the MN OET and MN State Auditors as both groups recommend and follow COBIT standards when auditing.

A secondary framework that complements COBIT is Information Technology Infrastructure Library (ITIL). While COBIT focuses on the controls, ITIL's primary focus is to provide best practice definitions and criteria for operational management. It accomplishes this by defining the functional, operational, and organization attributes that need to be in place for MIS to be fully optimized. ITIL address how MIS services are to be delivered and supported, they are focused on best practices and providing a more reliable environment and improved customer experience.

Issue 3 – Helpdesk and Change Management: The current helpdesk work order system is a custom built application that does not follow our database standardization plan, nor does it provide the capability to properly categorize incidents. There is no tie to the inventory database to assist troubleshooting. There are no self-service tools for end users to request service, track open issues, view scheduled outages, or search a knowledgebase. The current work order systems process is to print and manually manipulate paper requests, creating unnecessary administrative burden on the support staff, a lack of transparency on who is performing what task and what tasks are in the process. No system generated metrics or alerts are in place to measure missed service levels, work orders often stay open long after they are completed, adding to the confusion. Current performance of the work order database makes searching for open work orders often a lengthy manual process. There are no service level agreements in place outlining expectations, escalation, and prioritization of incidents. Currently there are not any tools in place to request, record, approve, and review environmental change to any of the technology applications, network, and server configurations. There is no systematic change documentation, no historic review of when a change was made and why. There is no change review board or policy and procedure around changes.

Solution: As the complexity of our environment has grown and demand on staff time continues to increase it is imperative that we adapt to meet the support needs of the City. This starts by implementing a off the shelf proven Help Desk Solution that allows for an employee self-service portal enabling them to see where there request is, create a new request or search the on line knowledge base. The solution must comply with the ITIL best practices framework and provide process automation and escalations of

incident, problem, change, release, and configuration management. This solution will be the corner stone of our IT Governance allowing us to standardize, track, and enforce IT processes moving forward.

Issue 4 - Centralized Technology Automation & Management Tools: Currently the City does not have the tools or the ability with the current NOS to effectively and efficiently manage the desktop and server environments. The City's current virus protection application has the capabilities to provide central administration and managed deployment of updates but it is not capable of performing these functions under our current NOS this makes for a less than ideal situation with new threats developing daily. Current inventory of hardware and software license management is all performed manually with no tools to monitor usage or changes.   Local desktops are not locked down due to the limitation of the current NOS as it does not allow for easy centralize policy driven management of the desktop environment limiting what users have access to change. The City does not have any tools to provide remote control of computers to assist in trouble shooting causing City staff often to physically drive to various end user locations to provide support. There is not a centralized capability to remotely deploy and verify patch installations creating a non-standard environment with all computers on different revisions.   Software installs and upgrades are all manually performed; there is no imaging system or centrally managed software distribution system in place. Without the automation tools in place to assist MIS in efficiently handling the support request, their only current choice is to make up for these deficiencies by adding human capital to match demand.

Solutions: As part of the migration to the Microsoft network operating system, MIS will be implementing a new tool called Microsoft System Center Configuration Manager (SCCM). This application will provide MIS with the functionality to overcome the current deficiencies and begin realizing the benefits of having the correct tools to perform daily tasks. The boost in productivity, through the use of remote desktop, will go directly to the bottom line, this toolset truly enables MIS to do more with existing staffing levels. The ability to see what the user sees without leaving your desk is a benefit to both MIS support teams and our customer. SCCM will give MIS the peace of mind that they have a central ability to verify if all the machines are current on their virus protection, latest patches, and software versions.   MIS will be able to deploy major software remotely, on demand or scheduled in off hours, these are huge capability improvements from the

manual processes now. The ability to have a tool automatically collect critical data about software usage, installed, changes to hardware, and displays it on a simple dashboard giving you a clear understand of your current state of compliancy.   There is a very high level of benefit from this investment but it comes with a learning curve and is not something you turn on overnight, this is why it is so critical to fund and provide ongoing education to our MIS staff so they can continually learn new ways to leverage our investments.

Issue 5 – Business Continuity: Current there is no written plan outlining what critical service would need to be brought back on line first in the event of a disaster.   There is no documentation outlining how to bring the environment back on line. There is not a disaster recovery site built or equipment to allow for a timely restore of services. The current backup system does not provide a complete system level restore capability, not all systems are being backed up with the current backup software. There are no monthly tests performed to ensure data is restorable and is not corrupt. The current off site backup location is not considered secure and does not provide auditable access of who has access to the backup tapes.

Solutions: Begin development of a business continuity plan (BCP) outlining the development of key objectives, recovery point objectives (RPO) and recovery time objectives (RTO) needed for sizing and estimating the cost of a redundant site. Begin developing procedures for preventing an event from occurring, detecting an unwanted event, and restoring after an event.

Leverage the server room in the new Police headquarters to build out a Disaster Recovery (DR) site. This would provide a secure secondary location allowing key technology services to remain online in the event of a catastrophic failure at the primary data center.   This is a logical choice due to the needs the Police have for a highly available environment; we will be able to reduce costs and equipment duplication by deploying our DR site at this facility.

Implement a new enterprise backup strategy with software capable of managing our environmental needs with a single application, providing licenses for all equipment, a disc to disc to tape strategy allowing for file de-duplication and san-to-san replication. Also, improve the offsite tape storage location by adding secure door card access and fireproof vault for tape storage.

VI.   WHAT RESOURCES ARE WE GOING TO USE?

Finance Plan

City of Duluth
Management Information Systems
2011-2012 Business Plan
Budget to Actual Financial Statement

	2009 Actual	2010 Actual	2011 Budget	2012 Projection	2013 Projection	2014 Projection	2015 Projection
Revenues							
Assessment Cost Services	3,864	47	2,500	2,500	2,500	2,500	2,500
MIS Services	2,766	1,159	1,500	1,500	1,500	1,500	1,500
Total Revenues	6,630	1,206	4,000	4,000	4,000	4,000	4,000
Expenditures							
Salaries	1,039,148	1,087,583	1,436,000	1,748,004	1,949,696	1,949,696	1,949,696
Overtime	10,812	9,961	19,000	36,000	36,000	36,000	36,000
Temps	-	2,679	-	3,500	3,500	3,500	3,500
Benefits	294,201	313,077	429,400	507,473	566,027	566,027	566,027
Other Expenses	276,141	247,187	791,300	830,865	872,408	916,029	961,830
Total Expenditures	1,620,302	1,660,487	2,675,700	3,125,841	3,427,632	3,471,252	3,517,054
Net Expenditures	(1,613,672)	(1,659,281)	(2,671,700)	(3,121,841)	(3,423,632)	(3,467,252)	(3,513,054)
Staffing Levels (FTE's)	18	24	22	26	29	29	29

Workforce Plan

Current staffing levels need to be balanced against industry staffing standard ratios, current maintenance tasks, new initiatives, and service level agreements (SLA's).

MIS must be staffed at a level to ensure all maintenance tasks are being proactively performed in alignment with industry best practices and regulatory compliancy.

As new technologies are adopted within the City, additional training and evaluation of requirements needed to sustain and maintain the new technology must be validated against current human capacity.

Help Desk & Support Function Staffing Ratio Assessment Results

This Section presents the organization's optimal help desk and support staff ratio based on the existing help desk environment. The assessment is focused only on support tasks; it does not represent maintenance, project, and area specific responsibilities.

The below calculations leveraged Info-Tech's Staffing Methodology to calculate ratios: baseline information was provided about the City's environment: 950 computers, 900 users, 45 locations, and a questionnaire focusing on the maturity of the MIS Tools.

Support Tiers and general job classifications associated with them:

Tier 1: This level consists of Helpdesk Technician, Desktop Support Analysts

Tier 2: System Administrator, Senior Desktop Support Technician, Network Administrator, Application Administrator, Programmers, Database Administrator

Tier3: Network Engineer, Senior System Administrator, Programmer Analyst, Business Administrator

Current State Staffing Raito:

	Optimal Help Desk Staffing Ratio	Optimal Staff Number	Actual Staff Number	Gap in Actual and Optimal Staff Number
Tier 1	28:1	35.6	3	32.6
Tier 2	51:1	19.4	3	16.4
Tier 3	61:1	16.4	3	13.4

Future State Staffing Ratio:

If deficiencies in the tools and processes used in the Help Desk and Support staff areas are remediated staffing ratios could change to:

	Projected Improvement to Help Desk Ratio if All Weaknesses are Addressed	Optimal Staff Number	Actual Staff Number	Gap in Optimal and Actual Staff Number
Tier 1	243:1	4.1	3	1.1
Tier 2	446:1	2.2	3	-0.8
Tier 3	527:1	1.9	3	-1.1

This would be the optimum level of performance, Shangri-La if you will, it would be difficult to achieve this level but we must align our vision to this high water mark of performance.

Some of the deficiencies that need mitigation to achieve the future state staffing ratio:

- Help desk does not use ITIL compliant software

- Help desk does not use password reset technology

- Help desk does not have experienced dedicated management

- Help desk does not use remote control software

- Help desk does not report performance metric

- Help desk does not use disk imaging technology

- Help desk does not use automation to manage and monitor systems

- Help desk does not proactively log and close help desk incidents

- Help desk does not proactively pursue recurring issues

- Help desk does not have solid SLAs with users

The staffing plan below is realistic to a point as not all projects have been prioritized and approved for beyond 2011, changes in priorities will require a realignment of staffing needs thus driving a new staffing plan.

MIS Staffing Plan

Legend:
- Administration
- Desktop Support Staff
- Infrastructures & Operations
- Application Development and Support

	Divisional Staff Counts 2010	Divisional Staff Counts 2011	Divisional Staff Counts 2012	Divisional Staff Counts 2013	Divisional Staff Counts 2014	Divisional Staff Counts 2015
Administration	2	4	4	4	4	4
Desktop Support Staff	4	4	6	6	6	6
Infrastructures & Operations	3	5	7	8	8	8
Application Development and Support	7	9	9	11	11	11

Training – Ongoing professional development in this career field is not an option it has to be part of your daily existence. Continued funding has to be part of every budget moving forward to ensure the staff knows how to leverage our technical investments, ensuring full deployment and utilization of our applications and equipment.

- Team Training & Education (technical)
  - o Define skills needed to perform current job and what skills will be needed to perform jobs in the future
  - o Divisional managers will build and maintain competency maps outlining deficiencies in skills enabling us to focused spending on specific training objectives.
  - o As new projects and technologies are implemented, our goal will be to ensure our staff is fully trained to support these initiatives as part of the implementation not as an afterthought.
  - o Leverage cost effective online training and Microsoft training credits to maintain continuous professional development.

Radio Shop and Technology:

As Radio and IT technology have become more dependent on each other, it would be a logical transition to move the City's Radio Shop into the MIS Infrastructures area allowing for increased collaboration and alignment.

Technology Plan

Microsoft Enterprise Agreement -Adoption of the Microsoft Enterprise Agreement will facilitate the technology needed to mature our aging infrastructure and provides us the agility needed for the future. Specifically it will allow the standardization of both desktop operating systems and versions of Microsoft office. It will provide us with an in house capability of self-paced and monitored user training. A single NOS, includes very powerful tools to provide central administration and environmental automation, reducing staff time..

Enterprise Backup Software - Implementation of a single robust enterprise backup system capable of managing our environmental needs and DR strategies.

Document Management System – Implementation of this software is the only way we will be able to adopt and manage City wide data practices and retention polices.

Web Content Management system – This is the system to used to develop and deploy the City's website, purchasing an off the shelf system will give us the extra social media tools and mobile web presence that is being demanded of City government. These types of tools have moved to the cloud and tend to provide end users a simpler interface for updating content themselves reducing the reliance on MIS.

Equipment Plan

Storage Area Network (SAN) – Moving forward there will be annual investment in storage required to match the growing needs of the City departments.

Servers - As MIS continues to collapse physical servers in to the City's, virtual environment there will be a need for increased capacity in the current server cluster.

Disaster Recovery Site Equipment – As the new Police headquarters comes on line MIS will have to purchase the necessary equipment to fulfill the requirements of a secondary redundant site.

Space Plan

MIS will we be heavily dependent on the Facilities and Maintenance department to assists us in the planning and implementation of the upgrades and office space needed to grow our MIS department.

VII.   Management and Organization

Management Team

The MIS Department is in the process of reorganizing the management.

Succession Plan

There currently are not any succession plans in place.

Outside Professional and Advisory Support

- Commissions/Boards
- Outside agencies and partners
- Attorneys
- Accountants
- Insurance agents
- Bankers
- Consultants
- Mentors and key advisors

I. Appendices

The following appendices are to be considered part of this plan.

1. WIB Strategic Plan for 2011-2012

2. Prosperity Index

3. Workforce Development Performance Template

BUSINESS PLAN –

CITY CLERK, MAINTENANCE OPERATIONS, LIBRARY SERVICES & PARKS AND RECREATION

Public Administration

Business Plan

City of Duluth

Public Administration

2011-2012 Business Plan
Prepared by: Lisa Potswald, Director
Submitted: April 1, 2011

I. Executive Summary

The Public Administration Department was originally formed in 2008 by transferring staff and operations that were previously in separate departments (Library, Parks and Recreation), located in Administration (Clerk's Office), or in Public Works (Maintenance Operations) into one department. The purpose of the restructure was (at the time) to reduce the number of departments and department directors in an effort to streamline city government, and to better utilize staff to accomplish maintenance functions.

While the Public Administration Department has a disparate number of services and responsibilities, staff across all divisions have regular and ongoing face-to-face contact with the public as we work hard to provide quality services the citizens of Duluth expect. The department has a total of 180 employees and a budget of almost $28 million.

Department staff have been looking to the future and accomplished a tremendous amount of progress in 2010, including

- Maintenance Operatons staff worked with consultants to complete energy audits of 85 city structures (paid by federal grant) – we now have a plan for reducing energy costs in each building.
- With Junior League funding and support, Maintenance Operations staff rebuilt Bayfront Playground. They also constructed the Japanese Garden at Enger Tower
- The Library staff completed a comprehensive operations plan to improve services in the future.
- Maintenance Operations staff patched potholes on every street in Duluth in 2010
- Maintenance Operations and Parks and Recreations staff worked cooperatively to receive grants to develop programs on invasive species such as the Emerald Ash Borer and the Gypsy Moth, to place solar trash compactors on the Lakewalk, to plant trees on the boulevards around the city, to purchase ice skates for youth to borrow, and to conduct a tree inventory and a park inventory.
- The Clerk's Office worked with MIS and Facilities to update the city council chambers, improving audio and visual

There are a number of exciting projects for 2011, including:

- Renovations at Enger Tower, including lighting, grounds and structural renovations
- New windows in City Hall, 2 facades replaced in 2011, and 2 in 2012
- Implementing the required retroreflectivity program for signs, including developing an action plan to GPS and map all street signs
- Implementing the Library's operations plan, focusing on increasing the public's free access to the internet and technology
- Developing the Trails Master Plan
- Implementing the Parks Master Plan; continue to improve communication with the community through online newsletters, community meetings, and improving the information available on the website.
- Implementing our salt reduction program
- Expanding crack sealing efforts with a goal of at least 20 miles
- Filling potholes on every street in Duluth
- Implementing paperless agenda packets for council and city staff, saving paper and mailing costs

Four staff from our department were awarded the "Own It, Solve It, Take Pride" awards in 2010 for their willingness to go above and beyond what is expected of them: Earl Stewart, Dallas Rustad, Tom Kasper, and Colin Hillman.

II. WHO ARE WE?

Organization of the Department

The Public Administration Department is organized into four divisions: Clerk's Office, Library, Maintenance Operations, and Parks and Recreation. The four divisions have direct contact with the public on a daily basis, administering services that citizens expect from city government. Our responsibility is to provide the best services to citizens in the most efficient, cost effective manner. Our focus is on providing exceptional services to our customers at all times.

Key responsibilities include:

A. <u>Clerk's Office</u>: Licensing and permitting, City Council secretary, elections, and Alcohol, Gambling and Tobacco Commission secretary.

B. <u>Library:</u> Answering patron questions and making recommendations, providing library materials, managing circulation services, programs and outreach services, online services, and library administration.

C. <u>Maintenance Operations</u>: Operational divisions include Street maintenance, Buildings and Grounds, Fleet services, Parking Fund, Traffic and Ramp, and Facilities and Street Lights.

D. <u>Parks and Recreation</u>: Management and oversight of parks, trails and recreational centers, city sports, recreational programs and special events,

Cost for each division and funding sources:

Division	2010 Budget	2011 Budget	2011 Revenue	Revenue Sources
Clerk's Office	$706,400	$729,600	$559,900	Licensing and Miscellaneous sales
Library	$3,626,300	$3,617,300	$182,200	Grants, fines, rent, sales
Maintenance Operations General Fund	$13,328,600	$13,525,600	$2,930,300	Grants, MSA, rent, intergovernmental transfers, sales

Division	2010 Budget	2011 Budget	2011 Revenue	Revenue Sources
• Fleet	$3,771,900	$3,671,000	$3,570,100	Internal service fund
• Parking Fund	$3,420,200	$3,450,200	$3,808,800	Meters, transient parking, contract parking
• Street Light Utility	$1,187,400	$1,950,500	$2,073,300	Resident fees
Parks and Recreation	$811,500	$765,500	$75,700	Licenses, permits, rent, campground, sales

Organizational Chart

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                    │ Public Administration│
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│ Clerk's │  │ Library │         │ Maintenance │  │  Parks and   │
│ Office  │  │         │         │ Operations  │  │  Recreation  │
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                                 ┌─────────────┐
                                 │   Street    │
                                 │ Maintenance │
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                                 │  Buildings  │
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                                 │    Fleet    │
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                                 │   Parking   │
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                                 │  Facility   │
                                 │ Management  │
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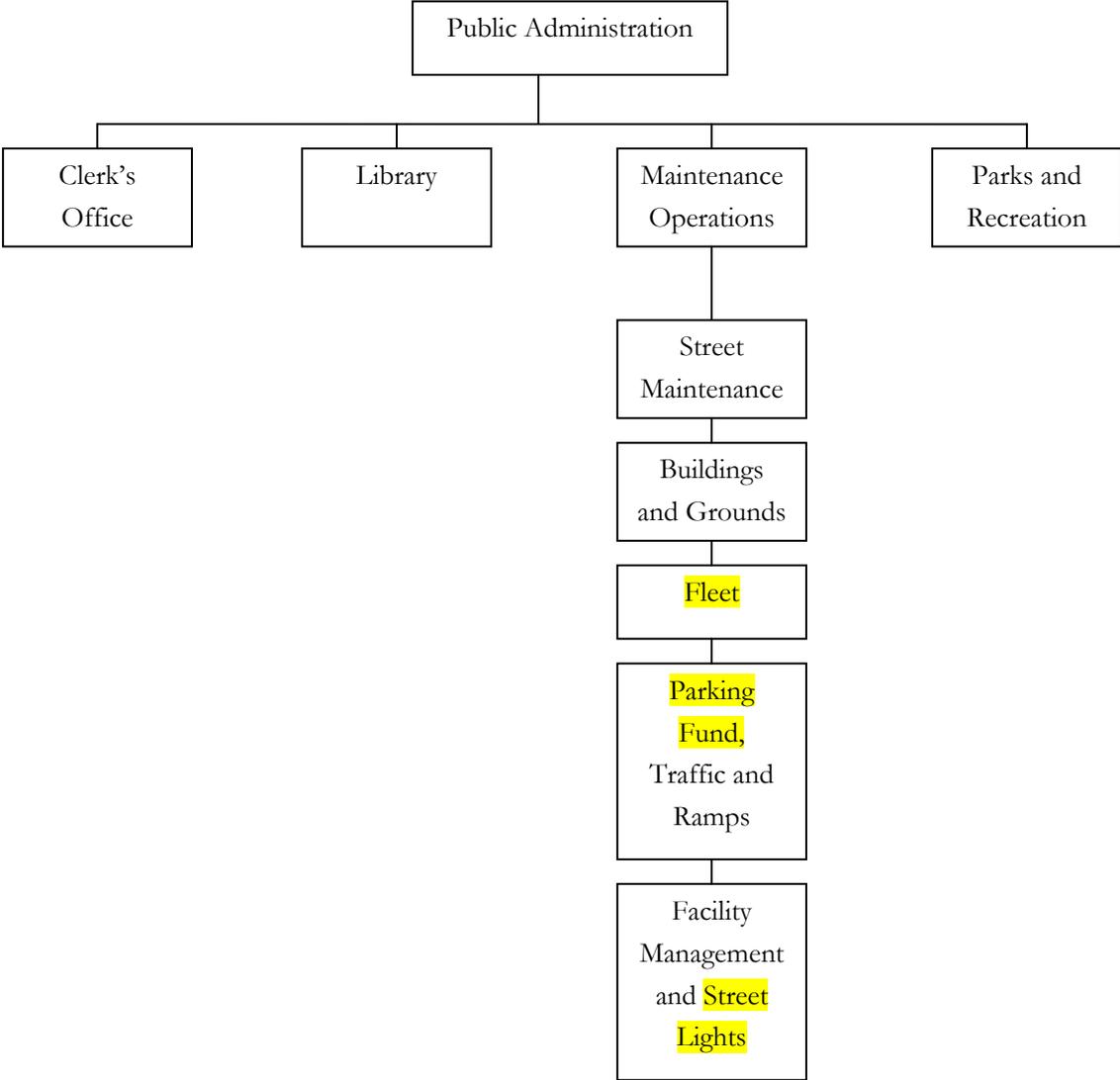
Those highlighted in yellow above are non-General Fund

III. WHAT RESOURCES ARE WE GOING TO USE?

Finance Plan

See attached Budget to Actual Financial Statement for the department.

City of Duluth
PUBLIC ADMINISTRATION
2011-2012 Business Plan
Budget to Actual Financial Statement

	2009 Actual	2010 Actual	2011 Budget	2012 Projection	2013 Projection	2014 Projection	2015 Projection
Revenues							
General Fund	3,665,129	3,777,400	3,748,100	3,800,000	3,800,000	3,800,000	3,800,000
Fleet	3,186,130	3,333,299	3,570,100	3,300,000	3,400,000	3,400,000	3,400,000
Street Light Utility	1,271,624	1,270,118	2,073,300	2,200,000	2,400,000	2,400,000	2,400,000
Parking Fund	3,787,022	4,244,669	3,808,800	3,800,000	3,800,000	3,800,000	3,800,000
Total Revenues	**11,909,905**	**12,625,486**	**13,200,300**	**13,100,000**	**13,400,000**	**13,400,000**	**13,400,000**
Expenditures							
Salaries	9,512,980	9,614,300	9,541,100	9,700,000	9,700,000	9,700,000	9,600,000
Overtime	229,155	211,200	218,000	210,000	210,000	210,000	210,000
Temps	62,703	380,600	446,100	500,000	500,000	500,000	500,000
Benefits	2,857,811	2,951,200	2,998,400	3,100,000	3,100,000	3,150,000	3,200,000
Other Expenditures	12,419,802	13,694,600	14,506,100	14,500,000	14,700,000	14,800,000	14,900,000
Total Expenditures	**25,082,451**	**26,851,900**	**27,709,700**	**28,010,000**	**28,210,000**	**28,360,000**	**28,410,000**
Net Expenditures	**(13,172,546)**	**(14,226,414)**	**(14,509,400)**	**(14,910,000)**	**(14,810,000)**	**(14,960,000)**	**(15,010,000)**
Staffing Levels (FTE's)	**161**	**186**	**180**	**185**	**185**	**185**	**185**

ASSUMPTIONS
Staffing includes General Fund, Fleet, Street Light Utility, and Parking Fund
Assumes no layoffs or unforseen changes in operations
Salaries in 2015 consider potential retirements
Benefits, materials costs projected to increase

Business Plan

City of Duluth

City Clerk's Office

2011-2015 Business Plan
Prepared by: Jeff Cox, City Clerk
Submitted: March 8, 2011

I.   EXECUTIVE SUMMARY

The municipal clerk, along with the tax collector, is one of the oldest government professions. And while its formal beginning has been traced to the year 1272 A.D., the early keepers of the archives were often called "remembrances", and before writing came into use, their memory was the public record. The title as we know it is derived from the middle ages. A "Clerk" was any member of a religious order, a "cleric" or "clergyman." Since, for all practical purposes, the scholarship of the Middle Ages was limited to the clergy, the name "clerk" came to be synonymous with "scholar." For centuries the municipal clerk has performed the archival functions of the governing body. The Clerk serves as the direct link between the citizens and their government and is the historian of the community and its people, for the entire recorded history of the government's actions are in the care of the City Clerk.

When the early colonists came to America, they set up forms of local government to which they had been accustomed, and the office of clerk was one of the first established. The colony at Plymouth appointed a person to act as a recorder.

Over the years, municipal clerks have become the hub of government, the direct link between the inhabitants of their towns and their government. The clerk is the historian of the community. Duluth's first City Clerk was appointed in 1870.

Minnesota statutes, Duluth City Charter and Legislative Code all reference the City Clerk and required functions of that office.

While the specific duties and functions may vary from city to city, the responsibilities have the common role of the official municipal office of records.

The city clerk's office serves the mayor, the city council, chief administrative officer, all administrative departments and citizens without exception. All call on the city clerk's office, daily, for some service or information.   The work is not spectacular, but it demands versatility, alertness, accuracy, and patience.

This office's major specific responsibilities are associated with the areas of licensing, elections, city council and records management.

II. WHO ARE WE?

Mission statement

Use technology effectively to provide high quality, cost-effective processes and information for Council Members, City staff and the public, so that effective and responsible decisions can be made to govern the City.

Strive to ensure that all procedures conform to Federal, State and City regulations, so that actions and documentation leads to sound and legally-based decisions.

Conduct elections that facilitate the maximum participation of all eligible voters in the City of Duluth.

Receive license applications and coordinate departmental recommendations prior to the appropriate approving authority.

Provide copying assistance and mail services for City departments.

Values

We take pride in our work and have high professional standards. We:

- Work for the City as a whole, not just our own division
- Are flexible problem solvers for all of our customers
- Expect change and believe in continuous improvement
- Have strong ethical standards, high integrity and honesty
- Work cooperatively and recognize each other's contributions
- Support professional development

Business/Program Structure

A.   City Council Secretary

Coordinate all activities and actions of the City Council, including:

1. Coordinate council meeting schedule and legal required publications.

2. Provide process training for City staff, adapt technology to the electronic flow of documents from staff, through Council and into publication and continuously work on improving procedures used for policy making by elected officials.

3. Produce the Official Proceedings of the City Council.

4. Maintain timely and detailed Council information on the City Web site.

5. Provide indexing and research of Council actions.

6. Respond to requests for information from City staff and the public.

B.   Elections

Administer Federal, State, County, School District and local elections for the citizens of Duluth, including:

1. Manage elections for approximately 55,000 registered voters, register up to 12,000 new voters per election year, coordinate equipment, supplies and staffing for 36 polling places, and train between 200-300 election judges each election year (ranging from local to federal election)

2. Community engagement: Work with constituency groups to provide voter education, advocate for legislative initiatives related to elections and to recruit election judges.

C.   Licensing and permitting

Processing of licenses and permits including:

1. Over 3,000 licensees, covering approximately 50 types of licenses, with annual gross revenue exceeding $500,000, ranging from pet to liquor licenses.

2. Coordinate the approval process with Attorney's, Police, Fire, Building Safety, Sales Tax and Health Department offices.

D.   Alcohol Gambling and Tobacco Commission Secretary

1. Prepares their agenda and produces the minutes, including lengthy hearing transcripts

2. Staff meetings.

3. Prepare council resolutions

4. Deal with the public questions and refers them to the appropriate staff.

E.   Charter Commission Secretary

1. Prepare their agenda and produces the transcript form of minutes.

2. Staff meetings.

3. Provide liaison between council, administration and commission.

F.   Mayor's Appointment Committee Secretary

Provide administrative support to the Mayor and Council Members and staff relative to appointments to boards, commissions and authorities, including:

1. Receive all applications and maintain data base for the appointments to boards, commissions and authorities

2. Prepare materials for the Mayor's appointment committee review.

3. Meet with the Mayor and present the Mayor's appointment committee recommendations.

4. Prepare the resolutions of appointment for council consideration.

G. Information Management Program Administration

Oversee the official records management program for the City of Duluth, including:

1. Policies: Manage the City's legally required paper records retention. Develop and oversee policies and procedures governing paper information.

2. Assistance: Provide assistance to divisions in the application of effective and efficient microfilm, microfiche, CD or other electronic format systems to comply with operating and legal requirements for records management purposes.

   a. Make recommendations for and develop methods and techniques for assuring adequate protection of department vital records.

   b. Provide assistance to divisions in the selection, implementation and effective use of filing systems and records housing equipment for active records and the maintenance, transfer and disposition of those records.

   c. Develop and administer of forms and reports programs required to satisfy department needs.

3. Records Retention: Manage retention and destruction schedules for those departments or divisions that have adopted the states records retention standards.

4. Manage Records Center of approximately 464 boxes stored with 50 boxes destroyed per year.

H.   Printing, Data Operations and Mailing

Oversee the operation of large copying and provide all out going mail services for all City departments including:

1. Maintenance of high speed copier with collating/folding/stapling feature and trains city staff.

2. Provide mailing services for City departments including:

        a. First class and presort assistance

        b. Assistance with specialty mail such as certified and overnight mail.

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│ Director of Public           │   │        City Council          │
│ Administration               │   │                              │
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              │         City Clerk           │
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              │     Assistant City Clerk     │
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Charter Commission	Mayor's Appointment Committee
Alcohol, Gambling & Tobacco Commission	Election Judges, Office & Warehouse Election Staff
Administrative Information Specialist	Administrative Information Specialist
Administrative Information Specialist	Information Technician
	Clerical Technician

SWOT Analysis

Internal Strengths	Internal Weaknesses
1. Highly knowledgeable & professional staff. 2. Uses technology enthusiastically in all facets of office work. 3. All aspects of operations are cross trained. 4. Multi-tasking performed frequently.	1. Similar ages of staff, so in the near future, there will be turnovers. 2. Limited automation efficiencies with current licensing features, adversely affects efficient operations.
External Opportunities	**External Threats**
1. Office has excellent public reputation of fast, clear customer information. 2. Works well with other offices in all aspects of city council agendas. 3. Election integrity is a high priority and perception with the public. 4. City Council Secretary duties function as the "hub" between the administration, council and the public. 5. On-line licensing applications/payments and paperless agendas being developed.	1. The lack of controlling last minute council agenda items impairs work flow/efficiency. 2. High volume of "paper pushing" with city council agenda preparation. 3. Limited automation efficiencies with current licensing features. 4. At budget times, vacant positions are jeopardized. 5. Ability to find and keep trained temporary workers for the office and warehouse at election time.

III. OPERATIONS

Revenues

This division collects over a quarter of million dollars annually in license fees and permits for approximately 45 different categories.

Personnel

Supervisory personnel includes a City Clerk and Assistant City Clerk who both are certified by the International Institute of Municipal Clerks and Municipal Clerks and Finance Officers Association of Minnesota.

Five highly experienced clerical staff members handle the many varied and legally required functions of the office.

Five trained and experienced temporary personnel handle the detailed aspects related to preparation and testing of the voting equipment, election day trouble shooting and office assistance.

Approximately 250 election judges are appointed and trained to work on election day at the polling sites.

Key Expenses

The major expenses of the division are in the last third of the year and are associated with the election expenses.

Location & Facility

This division's primary location on the third floor of city hall serves is perfectly suited for the tasks associated with being Secretary to the City Council in the adjacent Council Chambers. In addition to providing secretarial service to other boards and commissions, it serves to provide technical assistance to all other offices and outside entities that use the chambers as to audio/ video capabilities and troubleshooting. With the upcoming paperless agenda format, and more equipment being installed, this technical assistance will likely increase.

In addition, the division oversees the operations of the voting equipment storage /preparation and records center operations at Washington Center.

Capital Expenditures

Our existing voting equipment was purchased in 2000. The generally anticipated life of that equipment is 10 years. Factors of federal election mandates, State constitutionality determination of "Instant Runoff Voting", large scale state of Minnesota purchasing contracts and significant cost saving technology improvements will dictate more specifically the time frame for new voting equipment. This likely would happen between 3 and 5 years and be approximately $ 350,000.

IV.WHAT DO WE WANT TO ACHIEVE/WHAT DO WE WANT TO BECOME?

Vision

To be an efficient, effective and technologically advanced City Clerk's Office, by being:

A. Known for fast, accurate and professional service

B. Seen as a place where employees take pride in their work and reflect that attitude in customer service.

C. Recognized as a valuable resource for all departments and the public, as an innovator, problem solver and a team player working on Citywide solutions for efficient and effective government.

Five-Year Goals & Objectives

Goal	Objective	Tactics	Measurement
Paperless Agenda	Cost Efficiencies	New software Totally electronic agenda preparation.	Reduced time of preparation.
	Public/Council desired	Chambers total electronic access	Council efficiencies without paper
Licensing Upgrade	On-line applications On-line payments	Software enhancements	Percentage number of electronic transactions.
Voting Equipment Upgrade	Capable of doing IRV & regular ballot voting	Statewide legislation State purchasing contract	Voter easy of operation.
Records Center Increased Participation	Better use of active and inactive required storage.	Adm. requirement to participate. Improved records center safeguards	Sq. ft. storage decrease. Increased number of records center participants.

V.   HOW ARE WE GOING TO GET THERE?

Major Issues and Recommended Solutions

Issue 1 – Public and Council desire for increased electronic access to information

Solution: - A. Paperless Agenda Preparation
        B. Council Chambers Monitors
        C. Streaming Video

Issue 2 – Maturing staff closing in on retirement

Solution: A. Increased cross training
        B. Detailed procedural resources

VI.   WHAT RESOURCES ARE WE GOING TO USE?

Finance Plan

1. The division collects over a half million dollars in revenue annually.

2. In addition to the annual implicit price index increases, this division will annually review its license categories to insure that the fees are comparable with other cities and the amount of staff time involved, to justify an increase greater than the implicit price inflator.

3. This division will constantly look to see if there are new areas, where fees could be charged

Workforce Plan

1. All levels of the division's workforce is cross trained for back up purposes, because of the possible high number of employees retiring in the next 5 years. Increased training will continue be done to insure less dependence on specific individuals.

2. Supervisors are certified members of the International Institute of Municipal Clerks and the Minnesota Clerks and Finance Officers Association. Staff attends necessary training for their needs.

3. In the future, employees will have to be highly proficient in computer skills and the ability to effectively and efficiently multi-task. Our needs change due to the implementation of new technology in how we do business and thus training in software applications for employees will be needed.

Technology Plan

1. Plans are already in place for the council staff's work process to change with the anticipated utilization of a paperless agenda software. This will significantly reduce dependence of producing paper and the time associated with it.

2. Implementation of the New World licensing software will greatly increase the efficiencies with licensing preparation, on-line application, payments and daily cash receipt reconciliation.

3. Convert council proceedings, currently in paper form to CD for easy informational retrieval.

4. Implementation of a document imaging systems for to fill electronically kept council proceedings and communications.

Equipment Plan

Our existing voting equipment was purchased in 2000. The generally anticipated life of that equipment is 10 years. Factors of federal election mandates, State constitutionality

determination of "Instant Runoff Voting", large scale state of Minnesota purchasing contracts and significant cost saving technology improvements will dictate more specifically the time frame for new voting equipment. This likely would happen between 3 and 5 years and be approximately $ 350,000.

Space Plan

1. Office Area.

    a. Maintaining existing location is critical to the efficient responsibilities of City Council secretary and no large scale space need changes are envisioned for the immediate future,

    b. Copy Center is in need of air conditioning because high humidity and heat adversely affect the high volume copier.

2. Voting Equipment & Records Center.

Maintaining safe, environmentally protected and secured space is needed that meets the specific needs of both the voting equipment storage /set-up and records center.

VII. MANAGEMENT AND ORGANIZATION

Management Team

City Clerk and Assistant City Clerk have combined over 60 years of knowledge and experience in all aspects of this divisions operations.

Succession Plan

Increased crossed training and creation of detailed procedural references for all major operational aspects.

Business Plan

City of Duluth

Maintenance Operations Division
2011-2012 Business Plan
Prepared by: Kelly Fleissner, Manager, Maintenance Operations
Submitted: March 28, 2011

I.   Executive Summary

Maintenance Operations provides the people of Duluth with maintenance services for street, parks and public buildings.

It sounds simple enough. However, let us put it into context. Duluth has more than 500 miles of streets, 200 miles of sidewalks, 100 public buildings and 100 parks located throughout 80 square miles of land that stretches up to 30 miles in length. Much of this infrastructure is over 100 years old and sits on a steep hillside adjacent to the world's largest freshwater lake, the St. Louis River and over 30 trout streams.

Our charge is to keep Duluth a great place to live, recreate, visit, study, and do business. To accomplish this requires a minimum of 115 employees, 400 pieces of equipment, and a $22,000,000 budget.

  Maintenance Operations could not accomplish this daunting mission without a skilled and motivated staff, and an organizational culture of cooperation, coordination, and collaboration. Since the creation of this division in 2008, removing "silos", building trust, team building and empowering employees have been   priorities for us. For many of us this has been a major cultural change. For decades, stagnation, low morale, poor productivity, fear and suspicion dominated the work place.

Our vision for Maintenance Operations is to improve the quality of life in Duluth by working as a team to provide exceptional services and to respond to changing expectations with innovative solutions that positively impact public perception of government operations and employees. We want to be the best at what we do.

The vision for Maintenance Operations is becoming reality. Fear and suspicion are waning while productivity and morale are improving. Employees are empowered and encouraged to problem solve and find new and better ways to accomplish our mission. We want all of our employees to go home at the end of the day proud of the work they accomplished.

The future success of our city will depend on the condition of its infrastructure. Mayor Ness acknowledged this at the 2011 State of the City Address. The Mayor announced a new initiative to address critical infrastructure needs in the city of Duluth starting with street repairs in 2011. After years of ignoring and deferring these problems, it is encouraging for all of us in Maintenance Operations to have this administrative support.

To have Administrative support now aligns with the positive changes happening within our Division making Maintenance Operations a very exciting organization to be a part of. Maintenance Operations is perfectly positioned to fulfill its mission and vision and improve the quality of life for the people of Duluth by becoming the *best at what we do!*

II.   WHO ARE WE?

Mission Statement

The mission of Maintenance Operations is to be efficient stewards of our public infrastructure for streets, parks and public buildings and provide valued City services that contribute to public safety and economic vigor.

Values

1. Excellent customer service
2. Integrity, trust, respect, dignity
3. Results
4. Teamwork and partnerships
5. Professionalism
6. Best practices

Business/Program Structure

Organization of the Division

Maintenance Operations is organized into two sub-divisions. The first subdivision is Facilities Management, which is managed by the City Architect, Terry Groshong. This group consists of the following operations: Traffic Operations, Street Light Utility, Architecture, Radio/Communications and Facility Operations. The second subdivision is managed by the Manager of Maintenance Operations of which is currently occupied, on an interim basis, by Kelly Fleissner. This group consists of the following operations; Fleet Services, Parking, Traffic and Ramp Maintenance, Janitorial Services, Park Maintenance, Athletic Field Maintenance and Street Maintenance.

Key Operational Functions

Maintenance Operations is comprised of the following work groups: facility management, street light utility, fleet services, buildings & grounds, street maintenance and parking ramp & traffic maintenance.

Facility Management is responsible for the repair & maintenance of 150 buildings and structures, of which 90 are occupied spaces. This work group has expenditures of $3,881,300, of which $288,200 is funded by building and land rentals. The remainder of this work group is funded by the general fund.

Street Light Utility has the responsibility of repairing and maintaining the City of Duluth's safety signal and street light infrastructure. A street light utility fee assessed to the citizens of Duluth solely funds this work group. The total 2011expenditures for the street light utility are $2,069,500.

Fleet Services responsibility is to repair and maintain over 900 vehicles and equipment. Other work groups and departments by internal billing and transfers fund them. Their total expenditures are $3,671,000.

Parking Fund, Traffic & Ramp Maintenance is responsible for managing and maintenance of parking ramps, maintenance of all parking meters, maintaining traffic signs and painting street markings. The parking ramps are funded by fees assessed to contract and transient parkers; their expenditures total $2,495,200. Traffic Maintenance is funded by the general fund with total expenditures of $575,600.

Buildings & Grounds, formerly park maintenance, is responsible for the repair and maintenance of parks, athletic fields, playgrounds and building janitorial services. They are funded by a snowmobile grant and ski trail reimbursements totaling $23,000, the remainder of their $3,009,200 of expenses are funded by the general fund.

Street Maintenance is responsible for repairs and maintenance of City streets and some County & State roads. They perform a variety of duties including; sweeping, grading, patching and paving. This work group has multiple funding sources including, municipal state aid, reimbursements from St. Louis County and internal transfers from other departments totaling $2,619,100. Their total 2011 expenditures are $6,059,500.

Organizational Chart
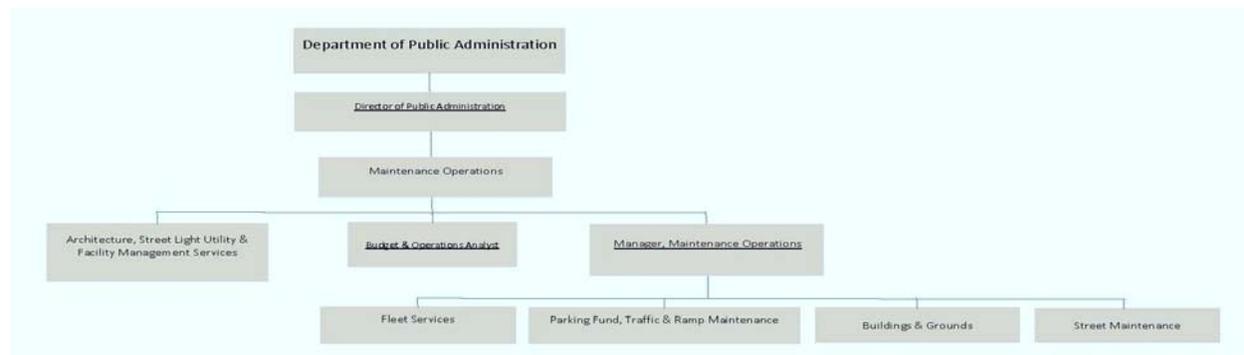
- see appendix for detailed organizational chart

Significant Trends and Changes

1. The current Mayor's emphasis on the repair and maintenance of the City's infrastructure has resulted in additional resources allocated to the Street Maintenance operation.
2. Making Duluth a trail "Mecca" has also become a priority of many Duluthians and of this Administration. Subsequently, this has become a priority for Maintenance Operations. By developing partnerships with user organizations, increased utilization of volunteers and grant acquisition the City's trail system can expand without a large drain on our limited resources.
3. Rising energy prices and a growing concern about greenhouse gas emissions will make the development and implementation of an energy savings plan a priority.
4. State and federal budget problems will be passed on to cities. Local Government Aid (LGA) will continue to be cut from our budget.
5. Complete Streets, walkable cities and accessibility mandates are trends, which are driving us to look at transportation as more than vehicle transportation.
6. Invasive species prevention and management is increasing, requiring more of our resources.
7. Much of the infrastructure we maintain, like trails, streets, parking meters, city fleet and parks, are expanding.

SWOT Analysis

Internal Strengths	Internal Weaknesses
• Employees – professional, creative, motivated, talented, hard working and flexible • Teamwork/Collaboration – employee-to-employee, operation-to-operation, division-to-division • Equipment – well maintained, state of the art in most cases • Empowerment Approach – employees given the tools and opportunity to succeed • Implementation of the best management practices	• Deferred Capital Programs – equipment and infrastructure • De-Centralized – reduces resource sharing and collaboration • Unpredictable budgets • Inadequate Technology – hardware, software and training • Inadequate storage space for supplies and equipment
External Opportunities	**External Threats**
• Field Force Management System • Asset Management System • Pavement Management System • Equipment Improvements – cleaner, more fuel efficient, more productive • Parks Master Plan • Trails Master Plan • Facilities Master Plan • Street Authority • Park Authority • Grants • Increase Volunteerism	• Recession/Economy • Reduced Local Government Aid • Increasing customer expectations • Unfunded mandates • Expanding infrastructure • Lack of integrated city-wide safety program

III.   OPERATIONS

Revenues

Maintenance Operations has a variety of revenue sources from land & buildings rentals to contributions from state aid and reimbursements from St. Louis County. Building and land rentals are based on contracts (most signed over 5 years ago). Some have an increase built in per year; some remain the same from year-to-year. Revenue from the street light utility increased from 2010 to 2011 based on an ordinance that increased the street lighting utility fee that is charged to Duluth residents. Street light utility was under-funded when it was created and this ordinance brought the revenues in line with the expenses. Municipal State Aid is based on the amount of roads the City maintains for the state; this is also true for the St. Louis County reimbursements. Parking fund revenues change from year-to-year based on usage at the ramps and lots.

2011 Maintenance Operations Revenues

Fleet Repair Part Sales, $1,080,000.00, 9%

Fleet Repair Services, $1,425,100.00, 12%

Street Lighting Utility Fee, $2,479,500.00, 21%

Medical District Ramp Transfer in from DEDA, $390,000.00, 3%

Fleet Fuel Sales, $1,065,000.00, 9%

Municipal State Aid, $1,212,800.00, 10%

Medical District Ramp Transfer in from Debt Service Fund, $756,200.00, 6%

Medical District Ramp Contract Parking, $299,600.00, 3%

Casino Ramp Transient Parking, $460,000.00, 4%

Technology Center Contract Parking, $400,000.00, 3%

Transfer in from Public Utility Funds, $860,600.00, 7%

Personnel

Maintenance Operations Division employs approximately 116 staff in various job descriptions. This encompasses; one Manager of Maintenance Operations, one City Architect, one budget & operations analyst, ten supervisors, six leadworkers, one energy coordinator, one facility project specialist, one administrative assistant, two signal technicians, one master electrician, three electricians, two building maintenance people, one painter, two carpenters, one master plumber, one plumber, one electronics technician, one storekeeper, two assistant storekeepers, one industrial equipment technician, two welders, five heavy equipment mechanics, two equipment maintenance specialists, one senior ramp attendant, three traffic maintenance workers, 11 park maintenance workers, one janitor II, five janitor I, one library custodian, 27 heavy equipment operators and 19 maintenance workers.

Maintenance operations division has made a commitment to hiring highly qualified and skilled employees. By using this technique, we have built a work force that is innovative, resourceful and efficient. The maintenance operations division is committed to training each employee with the most updated information and techniques. More than 72% of maintenance operations employees have worked for the City for more than 5 years; this equates to extremely experienced and productive staff.

Understaffing remains a problem for maintenance operations. Even with employing seasonal and temporary employees during the summer months, certain tasks have been eliminated and the need arose for a tiered park maintenance schedule. Because of understaffing, some parks only receive minimal care, softball & soccer fields are deteriorating, buildings have been neglected and require highly expensive renovations, streets have received only the required repairs & maintenance, which is resulting in costly reconditioning and capping work.

Key Expenses

Maintenance Operations Division has an expense budget of over $21 million. Key expenditures are shown in the chart below.

2011 Maintenance Operations Expenses

Fuel, $1,065,000.00, 6%

Street Light Electricity, $961,000.00, 6%

Street Light Salaries, $396,200.00, 2%

Equipment Repair Supplies, $864,000.00, 5%

Facility Management Salaries, $1,392,800.00, 8%

Fleet Salaries, $1,237,200.00, 7%

Water, Gas & Sewer, $742,700.00, 4%

Parking Ramp Salaries, $164,600.00, 1%

Electricity, $593,000.00, 3%

Buildings & Grounds Salaries, $2,382,400.00, 14%

Buildings & Grounds Fleet Service Charges, $270,000.00, 2%

Repair & Mtc Supplies, $275,000.00, 2%

Street Maintenance Salaries, $2,838,900.00, 17%

Traffic Maintenance Salaries, $455,500.00, 3%

Blacktop, $288,100.00, 2%

Salt & Sand, $898,000.00, 5%

Equipment Rental, $434,700.00, 3%

Building Rental, $225,300.00, 1%

Street Maintenance Fleet Charges, $850,000.00, 5%

These key expenditures account for more than $17 million of the maintenance operations division budget.

The following chart displays the change in expenses since 2008. The majority of expenses decreased from 2010 to 2011. Two expenses have increased dramatically, which are street light electricity and buildings & grounds salaries. Street light electricity is the result of increased rates from MN Power, which accounts for an increase of $320,000 from 2010 to 2011. The increase in salaries for buildings & grounds is accounted for with the reorganization of work groups; adding the expense of janitorial services and the addition of employees that transferred from the zoo.
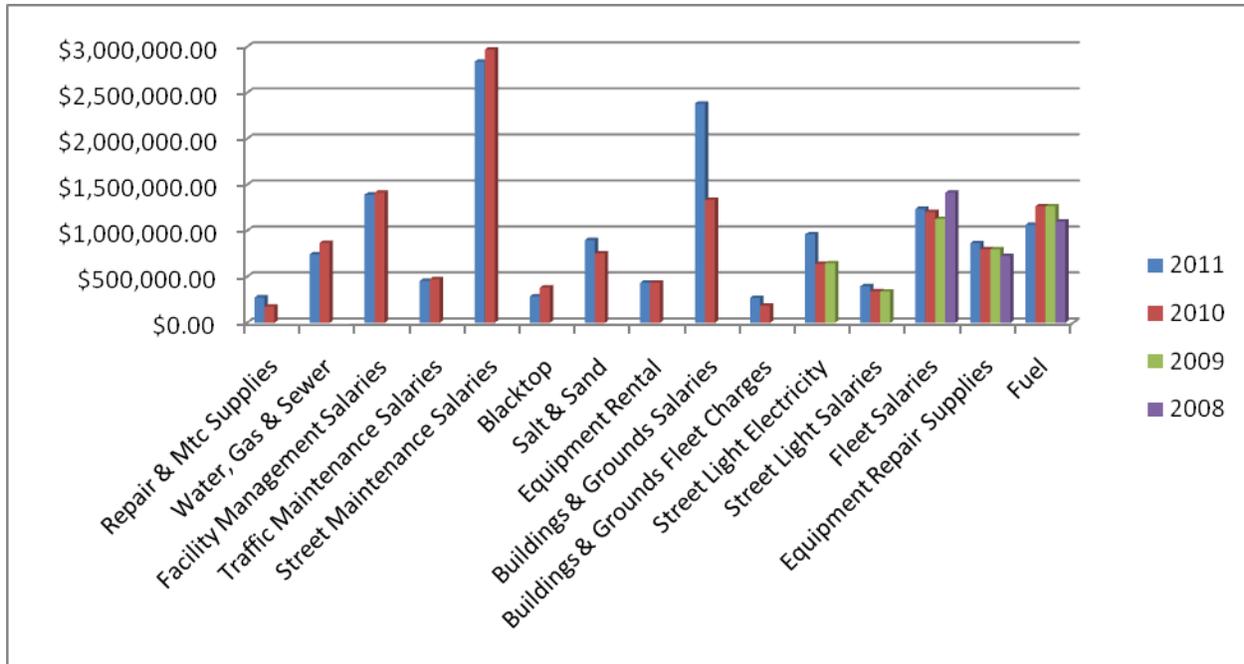
Location & Facility

Maintenance Operations utilizes ten different tool houses. Street Maintenance has two main sites at 105 N 40th Avenue West and 1123 Mesaba Avenue, but also makes use of three outlying sites at 5102 Dodge St, 2407 Commonwealth and Jean Duluth & Riley Road. Fleet Services operates out of their building at 4825 Mike Colalillo Drive. Buildings & Grounds has a main site at 110 N 42nd Avenue West, janitorial services is located at 411 W. First Street and athletic field maintenance is housed at 3501 Grand Avenue. Traffic & Parking Maintenance operates from the tool house at 2407 Commonwealth. Facilities Management, Street Light Utility & Radio Communications functions are located at 1532 W. Michigan Street.

Capital Expenditures

The objective of the capital programs is to ensure maintenance and replacement of public infrastructure and equipment in the most cost-efficient manner. The City strives to maintain its physical assets at a level that protects the City's capital investments and minimizes future maintenance and replacement costs. All capital equipment expenditures are evaluated by Fleet Service; in coordination with each department, based on a list of criteria: age, hours/miles, condition and maintenance history, fleet services determines replacement needs. Maintenance Operations projected capital equipment expenditures total $1,174,000. The capital improvement program is implemented through the facilities management work group. The City Architect coordinates and manages each capital improvement project. The capital improvement budget is $2,164,500.

IV. WHAT DO WE WANT TO ACHIEVE/WHAT DO WE WANT TO BECOME?

Vision

Our vision for Maintenance Operations is to improve the quality of life in Duluth by working as a team to provide exceptional services and to respond to changing expectations with innovative solutions that positively influence public perception of government operations and employees. We want to be the best at what we do.

Five-Year Goals & Objectives

1. Centralized Maintenance Facility
2. State of the art technology including; communications, GPS, computers and management software
3. Properly funded Capital Equipment and Capital Improvement plans
4. Resources that match expectations
5. Performance Measurement System in place
6. Cost accounting system by function
7. Achieve energy savings targets in the City's 5-year Energy Action Plan

V. HOW ARE WE GOING TO GET THERE?

Major Issues and Recommended Solutions

Issue one – Expanding infrastructure and increasing customer expectations while resources are declining.

Solution: Empower and inspire employees to be the best. Seek partnerships and collaborations to leverage and maximize available resources. Use state of the art equipment, technology, and best management practice to do our work. Develop "planned replacement" programs for all infrastructures and fund them adequately. Measure performance and make everyone accountable for results and fiscal responsibility.

Issue two – Inadequate technology hinders productivity and accountability.

Solution: Invest in appropriate hardware, software and training necessary for staff to professionally manage our assets. Field force management, pavement management and asset management are examples of where significant improvements could be made.

Issue three – City lacks a comprehensive safety program.

Solution: Develop a "culture of safety" by a top down approach. The City's administration needs to adopt and support safety as an organizational priority. Maintenance Operations should have its own safety liaison.

VI.   WHAT RESOURCES ARE WE GOING TO USE?

Finance Plan

	2011 Approved	2010 Actual	2009 Actual
110 – General Fund			
Cost Center – 2120 Revenues	$288,200	$207,094.72	$273,872.86
Cost Center – 2130 Revenues	$0	$0	$226.79
Cost Center – 2140 Revenues	$2,619,100	$2,610,855.62	$2,513,791.15
Cost Center – 2150 Revenues	$23,000	$34,949.04	$79.81
Division Total: Maint. Ops.	$2,930,300	$2,852,899.38	$2,787,970.61
Cost Center – 2120 Expenses	$3,881,300	$3,325,451.01	$3,241,970.71
Cost Center – 2130 Expenses	$575,600	$474,876.71	$1,580,909.62
Cost Center – 2140 Expenses	$6,059,500	$5,999,445.30	$5,550,924.71
Cost Center – 2150 Expenses	$3,009,200	$2,932,659.60	$2,048,090.73
Division Total: Maint. Ops.	$13,525,600	12,732,432.62	$12,421,832.77
505 – Parking Fund			
Cost Center – 2510 Revenues	$628,000	$639,669.40	$634,494.66
Cost Center – 2511 Revenues	$600,000	$588,056.11	$609,020.59
Cost Center – 2512 Revenues	$1,545,800	$2,016,821.68	$1,556,605.60
Cost Center – 2513 Revenues	$80,000	$70,373.57	$75,339.02
Division Total: Parking Ramps	$2,853,800	$3,314,920.76	$2,875,459.87
1481 – Meters & Municipal Lots	$955,000	$936,092.62	$911,562.87
Cost Center 2510 – Expenses	$433,700	$414,586.08	$411,471.44
Cost Center 2511 – Expenses	$600,000	$557,383.52	$564,867.22
Cost Center 2512 – Expenses	$1,381,500	$1,332,214.82	$1,179,006.91
Cost Center 2513 – Expenses	$80,000	$182,120.71	$73,978.08
Division Total: Parking Ramps	$2,495,200	$2,486,305.13	$2,229,323.65
1481 – Meters & Municipal Lots	$955,000	$853,524.53	$892,315.67
550 – Street Lighting Utility			
Revenues	$2,484,500	$1,270,118.03	$1,271,624.03
Expenses	$2,069,500	$1,556,494.47	$1,381,955.08
660 – Fleet Services			
Revenues	$3,570,100	$3,333,299.47	$3,186,130.33
Expenses	$3,671,000	$3,421,368.01	$3,070,084.92
Revenue Grand Total:	$12,793,700	$11,707,330.26	$11,032,747.71
Expense Grand Total:	$22,716,300	$21,050,124.76	$19,995,512.09

Workforce Plan

1. Eliminate or reform civil service process so Maintenance Operations can hire the most experienced and qualified staff
2. Create and implement performance appraisal system
3. Reduce entry level job descriptions by using the maintenance worker job description; which encompasses all job duties of entry level positions

Technology Plan

1. Software – asset management, pavement management, inventory, work order
2. Hardware – GPS, upgraded PC's and monitors
3. Training – as needed for employees on all operating software

Equipment Plan

It is essential to adopt a five-year capital equipment replacement plan that will be followed. With the continuous struggle to have old and broken equipment replaced, we incur costly repairs resulting in an increased financial burden on the general fund. By adopting a standard formula for replacement, we can eliminate the constant battle over which equipment to replace.

- See appendix for detailed capital equipment and improvement plans

Space Plan

Maintenance Operations has multiple tool houses located throughout the City; none of these buildings are centrally located and each work group is deploying from different locations. Many of the outlying tool houses are old and inefficient; they do not have access for current technologies. We pay a very substantial lease payment for the street maintenance tool house at 1123 Mesaba Avenue in the amount of $225,300 per year. These buildings have minimal capacity for staff and equipment; there is a considerable shortage on storage space for supplies and equipment. Maintenance Operations goal is to have a centrally located facility that would house all of the work groups encompassed by maintenance operations; streamlining processes and allowing work groups to share staff and resources, creating a more efficient division. By adding one centrally located facility, we would eliminate the costly addition of extra storage buildings.

VII.   Management and Organization

Management Team

Director of Public Administration	-	Lisa Potswald
Manager of Maintenance Operations	-	Kelly Fleissner (interim)
City Architect	-	Terry Groshong
Budget and Operations Analyst	-	Courtney Petersen
Supervisor of Maintenance & Supply Services	-	Arlen Bordenkircher
Buildings and Grounds Supervisor	-	Tom Kasper
Buildings and Grounds Supervisor	-	Dale Sellner
Street Maintenance Supervisor	-	Bob LeDoux
Street Maintenance Supervisor	-	Bruce Kellerhuis
Parking and Traffic Maintenance Supervisor	-	Kent Anderson

The management team for Maintenance Operations is a diverse group. The mix of professional degrees, private sector experience, public sector experience and life experience makes this a talented team of unique individuals. However, the team is aligned in a results oriented, employee empowerment management approach.

Succession Plan

Since predicting the retirement of members of the management team is difficult at best, our approach for succession planning is to develop the skills and flexibility of our existing staff. By creating opportunities for advancement within our organization, many of our employees work to prepare themselves for these opportunities.

Outside Professional and Advisory Support
- CCP – Cities for Climate Protection
- Tree Commission
- GDC – Greater Downtown Council
- Parks & Recreation Commission
- Parking Commission
- Planning Commission
- SAB – Special Assessment Board
- City of Duluth and ISD 709 Joint Powers Task Force
- DEDA – Duluth Economic Development Authority

VIII. Appendices

2011 - 2015 Rolling Stock Equipment Bond Proposal

General Fund Bond	2011	2012	2013	2014	2015
Fire Department					
Fire Truck Apparatus/Trucks	850,000	880,000	600,000	535,000	535,000
Tower Truck Repair	250,000				
Subtotal Fire Department	1,100,000	880,000	600,000	535,000	535,000
Police Department					
Police Vehicles	100,000	600,000	550,000	575,000	750,000
Subtotal Police Department	100,000	600,000	550,000	575,000	750,000
Maintenance Operations					
Facilities Management					
1-Ton Cargo Van			38,000	38,000	37,000
1-Ton 4x4 Truck		38,000	40,000	40,000	40,000
2-Ton Tow Vehicle Utility Truck		40,000			
Mid-size Truck		25,000			
Trailers and Tampers	15,000		4,000		
Skidsteer Attachments Trailer	20,000		30,000		
Subtotal Facilities Management	35,000	103,000	112,000	78,000	77,000
Street Maintenance					
Pick-up 3/4-Ton Ext Cab 4x4		60,000			120,000
Construction Truck and Van		83,000			
1-Ton Dump Truck	240,000		116,000		116,000
Tandem Dump Truck		145,000			
Sander Trucks		420,000	140,000	280,000	280,000
Sander with RDS		160,000	320,000	320,000	
Flusher Retrofits	80,000				
Single Axle Plow Trucks	510,000		170,000	340,000	
Wheel Loader		185,000			370,000
Wing Plows	42,000				
Compactor	45,000		45,000		
Skid Steer					
Pavement Ski	20,000				
Small Trailer			11,000		
Subtotal Street Maintenance	937,000	1,053,000	802,000	940,000	886,000
Park Maintenance					
Pick-up 3/4-Ton		37,000			
1-Ton Truck w/plow	68,000		68,000	70,000	
Utility Trailer					68,000
Log Truck		165,000			
Utility Van/Vehicle			17,300	16,500	33,000
Various Mowers	99,000	16,500	32,000	16,500	
Skid Steer Wheel Loader		42,000	42,000	52,000	
Trail Groomer			212,000		
Sidewalk Cleaner					142,000
Subtotal Park Maintenance	167,000	260,500	371,300	155,000	243,000
Traffic Maintenance					
Pick-up 3/4-Ton 4x4	35,000			35,000	
Subtotal Traffic Maintenance	35,000	0	0	35,000	0
Subtotal Maintenance Operations	1,174,000	1,416,500	1,285,300	1,208,000	1,206,000
Public Works					
Transportation Engineering					
Pick-up 3/4-Ton	54,000				
Subtotal Transportation Engineering	54,000	0	0	0	0
General Fund Rolling Stock Bond Total	$ 2,428,000	$ 2,896,500	$ 2,435,300	$ 2,318,000	$ 2,491,000

2011-2015 CAPITAL IMPROVEMENTS PROGRAM
SUMMARY OF ALL FUNDS

	2011	2012	2013	2014	2015	TOTAL
Capital Improvement Program						
Roof Replacement	50,000	200,000	200,000	200,000	200,000	850,000
ADA Compliance	50,000	100,000	100,000	100,000	100,000	450,000
Furnace/Boiler Replacements	50,000	25,000		280,000	325,000	680,000
Masonry Repair		150,000	150,000			300,000
Skywalk Repairs	25,000	725,000				750,000
Storage Buildings	120,000	190,000	75,000			385,000
Security/Entry Systems	125,000	125,000				250,000
Consolidations/Dispositions	75,000	175,000	175,000	175,000	175,000	775,000
Facility Needs Assessment		225,000				225,000
Facility Needs Priorities (ARRA)	200,000	255,000	1,000,000	1,150,000	1,255,000	3,860,000
Modernization/Remodeling	80,400	110,000	110,000	110,000	110,000	520,400
Window Replacement	525,000	450,000				975,000
MIS Office Space	33,600					33,600
Data Closet Wiring	110,000					110,000
Data Center Air Conditioning	40,000					40,000
Firehall #1 Masonry				50,000		50,000
Firehall #1 Remodel			250,000			250,000
Firehall #1,4,7 Overlays		35,000				35,000
Firehall #2 Repair/remodel	90,500					90,500
Firehall #2 Roof Replacement				250,000		250,000
Firehall #4 Window Replace	60,000					60,000
Firehall #4 & 7 Brick Repair				100,000		100,000
Carpet Replacement		54,000				54,000
Communication System	480,000	720,000				1,200,000
Furnace Replacements					50,000	50,000
Roof Replacements					250,000	250,000
Keyless Entry System				100,000		100,000
Overhead Doors		100,000		75,000	120,000	295,000
Ventilation		100,000		50,000	60,000	210,000
Lakewalk	200,000	1,470,400				1,670,400
Lakewalk Restroom Replace		125,000				125,000
Lakewalk Resurfacing		120,000				120,000
Munger Trail	2,258,100	200,000	900,000	800,000	400,000	4,558,100
Mechanical Systems	300,000	250,000	250,000			800,000
Solar and Green Roof		95,000				95,000
Baywalk Phase IV Design	50,000					50,000
Buddy Ball Fields	75,000				50,000	125,000
Chambers Grove Trail Repair	75,000					75,000
Lester Park Trail Repair	37,000					37,000
Longview Tennis Court Resurfacing					120,000	120,000
Lower Chester Garden Center		350,000				350,000
Multipurpose Court Resurfacing		20,000	20,000	20,000	40,000	100,000
Observation Park					150,000	150,000
Playground Replacement	45,000	45,000	30,000	30,000	30,000	180,000
Playground Replace Lester Park	60,000					60,000
Soccer Field Improvements		50,000	50,000	50,000	50,000	200,000
Soccer Field Irrigation		120,000				120,000
Wade Stadium Field Renovation			220,000			220,000
Wade Stadium Restoration		235,000				235,000
Washington Center-Add'l Gym			600,000			600,000
Washington Pool to multipurpose			300,000			300,000
Wheeler Backstops		10,000	10,000	10,000		30,000
Wheeler Field Storage Building				100,000		100,000
Wheeler Field Renovation				60,000		60,000
Wheeler Retaining Wall Repair				25,000		25,000
Capital Improvement Program Total	5,214,600	6,829,400	4,440,000	3,735,000	3,485,000	23,704,000

Department of Public Administration

Director
Lisa Potswald

Maintenance Operations

Architecture, Street Light Utility &
Facility Management Services

Budget & Operations Analyst
Courtney Peterson

Interim Manager
Kelly Fleissner

City Architect
Terry Grushong

Fleet Services

Parking Fund, Traffic & Ramp Maintenance

Buildings & Grounds

Street Maintenance

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Signal Technician
Shelly Anderson
Dallas Rustad

Meister Electrician
Scott Olsen

Electrician
Harry Bischoff
Luke Maletz
Gwyn Schwarz

Maintenance Worker
David Homstad

Energy Coordinator
DyAnn Andybur

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Karen Cheetham

Supervisor, Facilities Operations
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Building Maintenanceperson
Anthony Livingston
Jack Schade
Vacant

Painter
Donald Sprywolf

Carpenter
Robert Hord
Bryan Thoreson

Master Plumber
John Williams

Plumber
Richard Kertes

Maintenance Worker
Paul Anderson

Electronic Technician Leadworker
John Hydn

Electronics Technician
Laura Regan

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Services
Arlen Boedsmicher

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Keith Poulson

Assistant Storekeeper
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Colin Hillman

Industrial Equipment Technician
James Roebke

Welder
Ted Benson
Charles Giroux

Heavy Equipment Mechanic
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Eugene Jones
Rick Osborne
Andrew Shaw

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Senior Ramp Worker
Linda Rivord

Senior Ramp Attendant
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Maintenance Worker
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William Davis
Tammy Godine
Jennifer Monroe
Dena Petite
Dale Stanek
Wendy Wohlwend

Park Maintenance Worker
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John Capra
Robert Dunsmore
Carin Franckowiak
Gregory Hanson
Joanne Highlan
Nole Honkala
Donald Kienholz
Mary Tennis

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Janitorial Supervisor
Dan Anderson
Michael Thompson

Janitor II
James Boynton

Janitor I
Kathy Haselip
Donald Hoffman
Harold Robinson
Rodney Tatalovich
Ross Lasky

Library Custodian
Tammy Couture

Park Maintenance Worker
Kevin Jentoff
Todd Kobus
Vacant

Maintenance Worker
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Vacant
Vacant

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Leadworker, Maintenance Operations
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Michael Cole
David Couture
Douglas Quade
Matthew Dunsisky
Christopher G. Johnson
John Pessmon
Douglas Peterson
Timothy Peterson
Geoffrey Vukelich
Kurt Lange
James Andersen
Gary Mlodozyniec
Bill Peterson (provisional)
James Olson
David Willemarck
Ryan Sjoberg

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Vacant
Vacant

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Heavy Equipment Operator
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Fred Seger (provisional)
Robert Bennett
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Christopher Moe
Scott Smith
Matthew Piirainen
Kevin Loibelle
Randal Willemarck

Maintenance Worker
Zachary Bissell
John Kellerhuls (provisional)
Matthew Vess (provisional)
Vacant

Business Plan

City of Duluth

Library Services

2011-2012 Business Plan
Prepared by: Carla Powers, Manager
Submitted: February 25, 2011

I.   Executive Summary

The Duluth Public Library completed a comprehensive strategic planning process between May and December 2010. A community-based approach was used, centered on answering questions about what the most pressing needs are in the community and what the library's role should be in addressing those needs. Major steps included conducting focus groups with community leaders, reviewing community demographic data and library statistics, discussing organizational values and mission, identifying service priorities, and developing detailed action plans for the first year of implementation.

In this planning process we found that Duluth residents value the public library as an important community asset. Despite a declining number of residents in the city, library utilization remained steady prior to 2008 when library hours were cut by 44 percent. This decrease in service hours has had a significant, negative effect on the ability of citizens to access library resources, with branch access being most limited.

Several themes emerged in the course of the community input process. The top priority identified by local leaders was public access to the online world. In fact, the growing reliance on electronic resources in all facets of modern life is transforming the role of public libraries. Local leaders recognize especially that the library is the core provider of technology access for low-income residents. In addition, emphasis was placed on investing in the community's children. Children's services lay the foundation for them to become readers, to succeed in school, and to engage in a lifetime of learning. Finally, the community was clear in its desire for services to be available when and where the people are - in their neighborhoods.

The library's planning team used this community input to identify five service priorities for the organization. In addition, library staff developed several library-wide strategies that need to be addressed in order to provide services more effectively and cost efficiently. More detail about the service priorities and library-wide strategies are provided in the following pages.

II.   WHO ARE WE?

Mission statement

The Duluth Public Library enriches our community life by helping people at every age connect with the digital world, enjoy reading, continue lifelong learning, and explore creative pursuits in a welcoming environment.

Values

<u>Customer Service</u> – We ensure equal access for all, and we welcome people and treat them with friendliness and respect.

<u>Intellectual Freedom</u> – We provide information representing all points of view in books and a variety of other formats; we recognize each individual's right to access information; and we respect the privacy of library users.

<u>Community Service and Partnerships</u> – We work together as a team to provide resources and services to meet community needs; we work with other organizations to leverage our local resources; and we are a vital and indispensable part of our local communities.

<u>Creativity and Innovation</u> – We use state-of-the-art technology to provide access to information and other resources, to work more efficiently, and to find new ways of being a better library.

Business/Program Structure

Department history

Duluth's first tax-supported public library opened in October 1890 with 200 books in rented quarters. As the book collection and number of readers increased, additional space quickly became a necessity, a theme that has continued throughout the library's history. Seeking to relieve the overcrowded conditions, the editor of the *Duluth Herald* wrote to philanthropist Andrew Carnegie in 1899 seeking financial aid to build a new library. Carnegie was impressed by the success of the free public library in the growing city and donated $75,000 for a new building, which opened in 1902 with a collection of 26,000 volumes. By 1930, the Duluth Public Library had grown to include five branch

libraries.

By the 1940s, there was once again a need for a new library building. Although architectural plans were submitted to the City Council, no action was taken until 1967, when the council approved an option to purchase the current library site at 5th Avenue West and Superior Street. It took another thirteen years of planning, construction and public controversy over the location before the current 65,000 square foot Duluth Public Library building was dedicated on June 28, 1980.

In 1991, a multi-use facility opened in West Duluth, housing a fire station, a senior center and the new West Duluth Branch Library, which replaced the old West Duluth and Lincoln branch libraries. A police station has since been added to the building. In 1997, the Lester Park and Woodland branch libraries closed; their collections were combined to create the new Mt. Royal Branch Library, which opened in leased space at the Mt. Royal Shopping Center in June 1998.

Organization of the Department

The library has six service areas:

Answering Questions and Making Recommendations:

- Interacting with patrons to determine information needs and providing relevant information in person, on phone, via e-mail or mail.
- Suggesting specific reading, listening and viewing materials in response to patrons' expressed interests.
- Using Duluth and Minnesota history collection, Duluth government information, state and national government publications, and other special collections to provide information.
- Educating and instructing library patrons using booklists and displays.

Library Materials:

- Selecting, ordering and payment, describing in database (cataloging), processing for checkout.
- Providing books, magazines, newspapers, audiobooks, DVDs, database subscriptions and other formats.

Circulation Services:

- Managing patron accounts.
- Registering borrowers, checking materials in and out, fines and billing, updating account information, coordinating reserved materials (notification, shipment,

customer questions), returning materials to shelves.

Programs/Outreach Services:

- Reading programs for children and teens; Kaleidoscope summer entertainment programs; storytimes for infants, toddlers and preschoolers; visits by school classes and childcare centers; writing workshops; public lectures.
- Community collaborations. Publicity and public relations.

Online Services:

- Online catalog of library holdings, online customer accounts, library website, Internet access and special use computers.
- Electronic resources, both those purchased and those produced in-house.

Administration:

- Staff scheduling, supervision, training.
- Planning and evaluation of library policies and procedures, services, collections, and budgets.
- Coordination with other city departments, the advisory Library Board, the Friends of the Library, and the Duluth Library Foundation.
- Collaboration with local, regional and state library agencies and associations.
- Ordering and tracking of operating supplies, equipment, services and maintenance.
- Revenue collection and tracking of fines, meeting room and service fees, bills, copy machines, printers, etc.

Key Operational Functions

The library provides materials, databases, access to computers, and assistance to people in the community who need information or want to read/view/listen for pleasure. Key priorities include connecting people with digital resources, encouraging early literacy skills in young children, and maintaining a record of local history.

Organizational Chart

Library Services
Manager, Library Services
(1 employee; 1.0 FTE)

Adult Services
Librarian III
(1 employee; 1.0 FTE)

Popular Library
Librarian II (1 employee; 1.0 FTE)
Librarian I (2 employees; 1.5 FTE)

Circulation & Branches
Senior Library Technician (3 employees; 3.0 FTE)
Library Technician (13 employees; 12.1 FTE)

Business Office
Librarian III
(1 employee; 1.0 FTE)
Librarian I (1 employee; 1.0 FTE)
Library Technician (1 employee; 0.4 FTE)

Community Services
Senior Library Technician
(1 employee; 1.0 FTE)

Reference & Information Services
Librarian III
(1 employee; 1.0 FTE)
Librarian II (3 employees; 3.0 FTE)
Librarian I (5 employees; 4.0 FTE)
Library Technician (2 employees; 2.0 FTE)

Technical Services
Librarian III
(1 employee; 1.0 FTE)
Librarian I (4 employees; (1.55 FTE)
Senior Library Technician (1 employee; 1.0 FTE)
Library Technician (2 employees; 2.0 FTE)

Youth Services
Librarian III
(1 employee; 1.0 FTE)
Librarian I (4 employees; 2.95 FTE)
Senior Library Technician (1 employee; 1.0 FTE)

Last Modified 07.27.2009

Significant Trends and Changes

Nationwide, the use of public libraries is growing. Not only are people checking out more materials, but increasingly they are relying on library computers to look for jobs, find information online, and keep in touch with family and friends from far away. Free WiFi service and computers with Internet access have become standard library offerings.

In addition, libraries are expected to offer materials in more formats than ever before. Printed books are still the most widely used resource provided by public libraries; however, library patrons also expect to have access to audiobooks, DVDs, music CDs, magazines, downloadable content and licensed databases. Providing all of these

formats during a time of decreasing public funding represents a large challenge for public libraries.

One way that libraries are addressing this challenge is by taking full advantage of technology. From time management software for public computers to self-checkout machines to automated materials handling equipment, there are many resources available to take care of routine tasks and free up staff for more direct patron interaction. However, purchasing and maintaining this technology often requires a significant investment.

SWOT Analysis

Internal Strengths	Internal Weaknesses
• **Staff** – Staff members are universally committed to making the library a valuable community resource. They are well educated, service-oriented, helpful, friendly and self-motivated. • **Collections** – The library's collections, in many formats (books, magazines and newspapers, CDs, DVDs, databases, microfilm, etc.) and for all ages, constitute a valuable community resource. Local materials document important parts of Duluth's history. • **Heritage of Service** – Since its beginnings in 1890, the library has been a vital resource center for the community, providing information, recreation and education to citizens. • **Buildings** - Compared to the	• **Staff Shortages** – A lack of staff makes providing even basic library services an ongoing challenge. Library hours and the number of staff available to help people use our resources have been reduced. • **Shortage of Part-Time Employees** – A lack of part-time staff has reduced scheduling flexibility and had a negative impact on public service hours and the cost effectiveness of providing library services. • **Keeping Up with Technology** – Lack of funding makes it difficult to keep up with the demand for computers with Internet access and word-processing capability, and licenses for electronic databases. Additionally, lack of available staff time makes it difficult to update training and explore new

condition of many other city facilities, the three library buildings are relatively new and function fairly well for current service levels.

- **Branch Libraries** – The branch libraries are supported and highly appreciated by the public.

- **Free Service** – The vast majority of the library's materials and information sources are offered to the community free of charge at point of service.

- **Community Support** - Our users are strong library supporters and value our services.

- **Service to Low- and Middle-Income Citizens** - Many library users can't afford to buy the books, CDs, movies or computer access that they'd like, so they count on us, therefore increasing our value to the community.

- **Reference Service** – Skilled librarians provide research assistance to find information on a wide variety of topics, including local history and genealogy.

- **Strong Commitment of Service to Children and Teens** - Trained and experienced staff provide library materials, literacy programming, and reader's advisory and

technology.

- **Retirements** - Since the fall of 2004, 23 Library staff members have retired, resigned or been transferred, and approximately 12 staff members will be eligible to retire within the next two years. This results in a great loss of experience and knowledge.

- **Programming** - There is a lack of staff and staff time to adequately provide programs and community outreach.

- **Budget for Materials** – The collection budget was cut in 2010, which is especially problematic at a time when library users expect more materials in more formats.

- **Outdated HVAC at the Main Library** - Equipment is past its expected lifespan and frequently fails. The building's problem areas for heating and cooling result in climates that are not comfortable for the public or conducive to staff productivity. Lack of climate control also affects the lifespan of materials.

- **Supervisory Staff** - The only library staff member in the supervisory unit is the manager, although other staff members have supervisory

reference help to children from birth to high school and to their parents, teachers and caregivers.

- **Advisory Services for Readers, Listeners and Viewers** - Experienced staff provide information and advice to people seeking a book to read, an audiobook or music CD to listen to, or a movie to view.

- **Connections to the Community** - Library staff members, as individuals and as employees, have fostered connections with a wide variety of community organizations.

- **Internet Access** – The Library provides free Internet access to cardholders and visitors alike. Wireless access is available at all three locations.

responsibilities.

- **Main Library Design** - The building's design (four public service desks and large spaces to observe) requires a lot of staff to operate safely. Some areas, such as Youth Services, are too small for today's requirements. Many staff work areas are not ergonomic or sufficient for current needs.

- **Building Security** – Due to the design of the Main Library and the reduced number of staff, it is difficult to maintain building security and assure appropriate behavior.

- **Building Maintenance** - Three custodians clean and maintain three buildings; there is too much work for them to handle well.

- **Lack of Staff Diversity** - It is difficult to find people with diverse backgrounds who meet library job qualifications for professional positions.

• External Opportunities	External Threats

- **Community Support** - Duluth is a well-educated, literate community that supports its public library.

- **Library Board** - The Duluth Public Library Board is a committed group of volunteers who advise the Library Manager and staff and advocate for the library in the community.

- **Duluth Library Foundation** - The Foundation raises funds to help support the library's mission.

- **Friends of the Duluth Public Library** - Members of the Friends volunteer their time and energy to raise money and help with special projects. The major event for the Friends is the annual Used Book Sale; profits are given to the Library for purchasing materials, services and equipment.

- **Increased Use of Libraries** – National studies indicate an increased use of libraries. Historically, public library use increases in challenging economic times. In addition, current studies show an increased use by young people.

- **Information Technology** - With the wealth of information online, there is a growing need for libraries to provide education on information retrieval and use.

- **Cuts in Local Government Aid** – The library is vulnerable to further budget cuts if the state legislature continues to reduce LGA.

- **Inequitable Funding For Public Libraries** – People who live outside the city limits pay much less to support library services than City of Duluth residents do; however, by law the library must provide equal service to them.

- **Pace of Technology** – Computers, software and training become outdated very quickly.

- **MIS Staffing** - We count on MIS to maintain and upgrade our network and equipment; their staff shortages directly impact library services.

- **Civil Service Rules** – Existing limitations create difficulty in doing focused hiring within a job description and in having enough choice among candidates.

- **Safety and Security** - The downtown library faces potential behavioral problems from a small number of visitors.

- **Internet** – People have varying and sometimes unrealistic expectations for finding information.

- **Library Parking** - Most people

- **Clean & Safe Team** - The Greater Downtown Council's Clean & Safe Team has worked with library staff to improve public behavior, safety and the environment in the Main Library.

- **Opportunities for Resource Sharing** – The Duluth Public Library coordinates with other area libraries (including UMD, CSS, Arrowhead Library System, Northeast Minnesota Historical Center, and ISD 709) to provide services and share resources.

- **Coffee Shop** - Some public libraries include coffee shops in their buildings. An arrangement with a franchise could provide revenue for the city as well as attract more people to the Main Library.

- **Volunteers from the Community** - Volunteers are used for a variety of activities, including shelving and genealogy research assistance.

- **MnKnows, provided by the State of Minnesota** - MnKnows (www.mnknows.org), serves as a portal to make five services available: 1) the MnLINK Gateway, through which users can request materials that the library doesn't own; 2) the Electronic Library for Minnesota (ELM), which provides online articles and electronic books;

coming to the Main Library park in the metered lot on Michigan Street and Sixth Avenue West. The lot is poorly designed for walking, is far from the entrances to the Library, and can be dark and icy in the winter. The intersection itself has inadequate controls. The space for parking at the West Duluth Branch Library is seriously inadequate.

- **Private Funding** - There is increased competition for grants, charitable contributions and trusts, and a corresponding reduction in the availability of these funds.

- **Community Attitudes about the Library** - Some people in the community, probably a minority, fail to perceive the library as a core service.

- **Public Misperceptions about Libraries** - Some community members don't understand the variety of tasks that library staff do. There is a lack of understanding of the professional education and skill development required. Some don't understand that the Library must pay for the materials it provides or that the Library is part of City of Duluth government.

| 3) Minnesota Reflections, an online collection of photos, documents and maps from Minnesota history; 4) AskMN, a 24/7 real-time reference question service; and 5) a Research Project Calculator. | |

III.   OPERATIONS

Revenues

By law, a public library must provide most of its services free of charge. The library's primary source of revenue is its allocation from the city, which has declined in recent years. The library receives approximately $50,000 per year in donations from the Friends of the Library and the Duluth Library Foundation.

Personnel

The library currently has 21 professional librarians, 21.5 technicians and nine 13-hour-per-week staff members.

Key Expenses

The largest expense category for the library is staffing, followed by the materials budget. The materials budget covers all tangible items purchased for use by the public. In 2010 the materials budget was reduced 17 percent for a total $264, 500. This amount has remained flat for 2011.

Location & Facility

Library services are offered in three locations within the city. The Main Library downtown houses the majority of the collections and offers a full array of services, including reference assistance. This facility is about 30 years old. It is a large building with four public service desks that need to be staffed during open hours. The facility's major weaknesses are an outdated and inefficient HVAC system, insufficient wiring for computers, and lack of convenient parking. Its strengths are its open floor plan and its

central location. Main serves as the administrative headquarters of the library and is open six days a week for most of the year.

The Mt. Royal Branch Library is a leased facility located in the Mt. Royal Shopping Circle. This branch is very heavily used and has strong support from its users and the owners of nearby businesses. There is ample parking nearby. The major weakness of this branch is the high cost of the lease agreement.

The West Duluth Branch Library is in a city-owned building in West Duluth. This branch is less heavily used, perhaps because it is located on a very busy street and lacks sufficient parking. One of the strengths of this branch is that it shares space with a senior center, which can be used to host larger library programs.

Both branches have had their hours reduced in recent years and currently are open two and a half days per week. Community members value these neighborhood libraries and have said that they would like them to be open more hours.

Legal issues

An important legal issue faced by the Duluth Public Library is the lack of compensation for use by people who live outside the city limits. Under current state law, the library cannot charge nonresident users directly, and the law provides for very little reimbursement from the regional library system. The Library Manager and two library board members are participating in a Library Funding Task Force formed in Cloquet to attempt to come up with a proposal to more fairly compensate libraries for nonresident use.

Capital Expenditures

The major capital need at this time is replacement of the HVAC system at the Main Library. In 2011 library staff will be working with an architect to identify other improvements that can be made at Main to better support the library's current service goals and provide for greater staff efficiency.

IV.   WHAT DO WE WANT TO ACHIEVE/WHAT DO WE WANT TO BECOME?

Vision

Five-Year Goals & Objectives

Goal	Objective	Tactics	Measurement
Everyone has access to and assistance using state-of-the-art digital resources	Increase number of public access computers	Put Gates Foundation and Knight Foundation funded computers into service	Public access computer utilization
	Strengthen staff's ability to provide technology assistance	Provide technology training for staff members and staff the computer lab during all open hours	Measure change/ increase in staff computer skills after training Survey computer lab users
Children birth through third grade and their caregivers get excited about reading, writing and learning	Revitalize and focus children's book and toy collections	Order new toys for lending collection Evaluate current book collection; weed and order as needed	Circulation of juvenile materials, including toys
	Increase number of young children participating in summer reading program	Emphasize "read-to-me" component of summer reading and develop outreach strategy for 2012	Number of participants in 2011 and 2012 summer reading programs
	Provide regular storytime programs	Plan and implement branch storytimes by	Number of children attending branch

	at branches	end of 2011	storytimes
People at every age explore their interests and become knowledgeable about a variety of subjects	Implement text and/or chat reference service	Research software, develop procedures, train staff, implement and promote service	Number of reference requests via text and/or chat
	Participate in Historical Society's History Day project	Promote and host two project work days at Main	Evaluate level of student participation
Youth and adults find enjoyment and enhance their creative and cultural lives	Provide more access to downloadable materials	Purchase ebook readers and MP3 players for checkout	Circulation of ebook readers and MP3 players
	Organize One Book, One Community program	Run program with events (including big name author visit)	Conduct survey of program participants and reconvene committee to evaluate outcomes
Individuals and organizations find connections to local history, tradition and culture	Improve staff knowledge of local history resources	Provide in-house training to reference staff on local history resources	Staff survey following training
	Provide digital access to local history resources	Participate in Minnesota Reflections project	Number of local items accepted for Reflections

V.   HOW ARE WE GOING TO GET THERE?

Major Issues and Recommended Solutions

Issue 1 – Facility plan
Solutions – An architect specializing in libraries is assessing our space with regard to priority goals. In the first year, we will consider low-cost options to improve the use of space at the Main Library.

Issue 2 – Volunteer program

Solutions – Recruit volunteer coordinator from within existing staff. Identify tasks for volunteers and develop volunteer position descriptions.

Issue 3 – Website redesign

Solution – Contract for design work and use existing staff for maintenance and updates.

Issue 4 – Expand open hours

Solution – Continue finding efficiencies, identifying tasks for volunteers and using technology to open the library as many hours as possible with existing staff.

Issue 5 – Online patron interface
Solution – Make decisions on joining other ALS libraries in shared "discovery layer" and/or library automation system.

WHAT RESOURCES ARE WE GOING TO USE?

Workforce Plan

The library's workforce has been reduced over the years in two significant ways. First, many full-time positions have been lost as retirements occurred and positions were not filled. And second, the library lost the majority of its 13-hour-per-week positions in 2008. These positions made it possible to for the library to be open to the public more hours per week, because of their cost effectiveness and flexibility.

Currently the library employs eight 13-hour-per-week shelvers and one delivery driver.

Technology Plan

A technology plan will be completed in 2011.

Equipment Plan

Equipment needs will be incorporated into the technology plan.

Space Plan

Remodeling was done at the Main Library in 2008 to update wall coverings, flooring, and some of the public desks. However, the arrangement of shelving, desks and public space remained basically the same. In the coming months, the library will be contracting with an architect who specializes in libraries to determine the optimum use of space based on service priorities and trends in library use.

Management and Organization

Management Team

The current management team consists of the Library Manager and five Librarian IIIs. However, the Librarian IIIs are in the AFSCME Basic Unit, which limits their abilities to function as managers. A new job description for Library Supervisor has been developed. The plan is to restructure staff, in support of library service priorities, under three Library Supervisors.

Succession Plan

No formal succession plan is in place; however, many current staff members will be eligible to retire soon. It's possible that the library could lose a third of its staff members to retirement within the next two years. As retirements occur, the Library Manager will work with the department director and library staff to determine whether and how to fill vacant positions based on current needs and future projections.

Outside Professional and Advisory Support

- An advisory Library Board provides support and guidance to the organization.

- The Friends of the Library group raises funds for immediate needs not covered by the regular budget.

- The Duluth Library Foundation is building an endowment for future needs and turns over a portion of the endowment proceeds each year.

VI.   Appendices

2010 Library Usage

MAIN

2010 Hours, Visitors, Circulation, Internet Users

Summary		Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	TOTAL
Days open		24	23	27	26	24	22	21	22	24	26	22	23	284
Hours open		171.5	165.5	197.5	188.0	174.0	165.0	155.5	166.0	175.5	185.5	162.0	170.0	2076.0
Visitors		22399	22863	27193	25424	18985*	18827*	23181	23807	19712	22648	20883	19601	265521
Circulation		49492	49348	56617	55796	48579	63692	59134	57820	50360	51116	48063	44636	634653
Internet users		3030	2872	4627	4902	4483	4457	4527	4787	4744	5233	4673	4647	52982

* Gate malfunctioned between May 26 and June 4, and no visits were recorded.

MT ROYAL

2010 Hours, Visitors, Circulation, Internet Users

Summary		Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	TOTAL
Days open		7	7	10	8	8	12	12	13	12	13	11	9	122
Hours open		52.5	52.5	75.0	60.0	55.5	81.0	75.0	85.5	78.0	82.5	76.5	73.5	847.5
Visitors		4547	4752	6456	5131	4439	7018	6461	7170	6295	6130	5588	5050	69034
Circulation		13675	14130	18673	15163	13820	20741	18282	20103	17684	16826	15972	14490	199559
Internet users		247	209	292	327	336	435	401	520	465	469	414	347	4462

WEST DULUTH

2010 Hours, Visitors, Circulation, Internet Users

Summary		Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	TOTAL
Days open		8	8	9	9	8	13	13	13	14	12	11	14	132
Hours open		60.0	60.0	67.5	67.5	60.0	85.5	85.5	85.5	90.0	78.0	70.5	90.0	900.0
Visitors		3322*	3322*	3182	3254	3322*	3657	3322*	4021	3436	3090	2775	3164	39866
Circulation		6773	7434	7983	7538	6722	9192	9062	8895	8567	7781	6939	7998	94884
Internet users		310	310	312	360	368	434	574	520	564	478	350	355	4935

*Library visits were not tracked for four months of the year. This number represents an average.

Business Plan

City of Duluth

Public Administration Department
Parks and Recreation Division
2011-2012 Business Plan
Prepared by: Kathleen Bergen, Manager

Submitted: April 26, 2011

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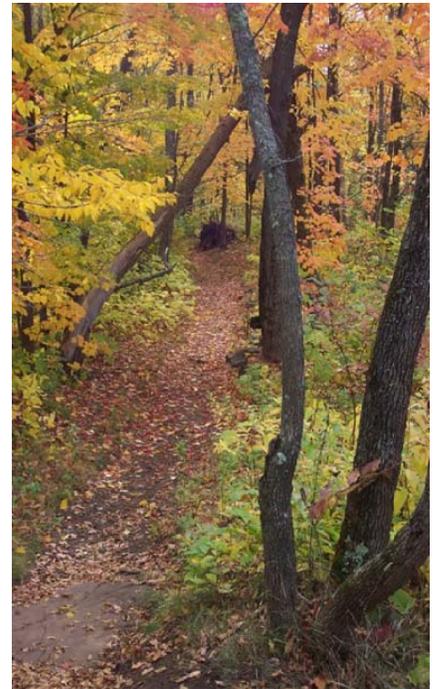
I.   Executive Summary

Parks and Recreation is a multifaceted division, running the gambit from providing permits for park and trail use and for special events to renting buildings, fields, and a gym to hosting ice skating at the Duluth Heritage Sports Center year-round and at Bayfront in the winter to assisting with toddler, youth, teen, and senior recreation. All of the things we do are centered on our customers. We also provide information on more than 11,000 acres of park land and green space and almost 200 facilities and the activities that occur there. We are the front-line liaison with community and user groups and the thousands of volunteers that help keep Duluth beautiful.

Our customers include everyone: all ages, all economic backgrounds, all ethnic backgrounds, all abilities, the passive recreater, the avid sports person, dogs and their owners, and creatures that make their home in our parks and green spaces. We serve Duluth, surrounding communities, and visitors from all over the country. We strive to provide the best setting for the multiple recreation activities our customers enjoy.

Sitting alongside of Lake Superior and the St Louis River, Duluth is blessed with an abundance of natural resources and the foresight of those who came before us to preserve those for future generations. Today, many Duluthians continue to be passionate about our natural resources and volunteer their time to help the City keep these resources well-cared for. We are proud of the efforts of City staff from several divisions in addition to Parks and Recreation as well as the volunteers.

During the process of developing our Parks and Recreation Master Plan, we confirmed how passionate Duluthians are about their parks and trails and recreation. Many people live here specifically because of the abundance of natural parks and trails within the city and often very close to their home. Even with over 11,000 acres of parks and green space, the overwhelming message we heard was to preserve that land and even add more when opportunity arises. This was also the message heard statewide during public input for the 25 Year Parks and Trails Legacy Plan.

Duluthians surveyed are also in favor of providing funds to improve our resources. We have not been able to properly maintain the infrastructure of our parks, trails, buildings, and sport facilities for the past 30 or more years. During that time, they have deteriorated and new needs have become a high priority. Providing universally accessible facilities is important to the City as well as our customers. We look forward to

reversing this trend and finding the funds to improve what we have and accommodate new trends in recreation and leisure time.

One of the biggest outcomes of our Parks and Recreation Master Plan was the need for a Trails Master Plan. An overwhelming majority of the public that participated in our Master Plan process use our trails, want to see them improved, and are willing to help do so. A great example of this is the nearly 200 volunteers that came one Saturday to help build part of the Lakewalk, a walking path between 23rd Ave E and 26th Ave E along the lakeshore behind the Ledges Townhomes. Another example is the 72 equestrians that showed up at a recent horse trail meeting as part of the Trails Master Plan. They would like designated horse trails in or near Duluth and are willing to help make it happen. There are many more examples like this.

Our annual Clean and Green Week will soon be here. This is our finest example of how engaged, committed, dedicated, and passionate Duluthians are about maintaining our beautiful parks, trails, and community centers. Thousands of people of all ages, individuals and groups, will give Duluth a spring cleaning. This is a trend that has been growing for years. We have great participation in our Adopt A Park and Adopt A Trail programs where individuals and groups make a year-round commitment for two years. Some people, such as Dan Proctor who was recently recognized by the City Council, have been doing this for decades.

We are very excited about what the future holds for Parks and Recreation. We have developed wonderful, sustainable partnerships that have expanded recreational offerings. Some examples are: Chester Bowl Improvement Club, Arrowhead Economic Opportunity Agency, YMCA, Northwood Children's Home, Grant Community School Collaborative, Greater Downtown Council, ISD 709, COGGS, Fit City, Zoological Society, and a variety of community clubs and youth sport groups.

With all of this interest from the public, a strong commitment from our current Administration, an active Parks Commission, and devoted staff, the future looks bright for Parks and Recreation. Our Master Plan provides the guiding principles and action steps for positive changes and a better park system. Plans are already in the works to make this happen.

II.   WHO ARE WE?

Mission statement

> Promoting the health and well-being of our community, environment, and economy by facilitating recreational opportunities and coordinating the enhancement of our parks, facilities, and natural resources now and into the future.

This is a new mission statement developed by staff in 2010 about half way through the Master Plan process. It incorporates the changes that have occurred over the past 4 years and reflects trends in our society. It is action oriented and achievable.

Values

This is our path to follow to realize the potential of our parks and recreation system. Many of the recommendations of the recently completed Parks and Recreation Master Plan revolve around connections - not only connecting the community physically with paths and trails, but also strengthening connections socially, economically, and environmentally. The Master Plan recommendations focus on eight basic guiding principles for our parks and recreation system that will help build Duluth as a more connected community. These principles and the associated objectives are based on community and stakeholder input, current plans such as the Duluth Comprehensive Plan, and a detailed evaluation of the tremendous opportunities and the pressing challenges facing us.

Provide Safe, Clean, Fun and Beautiful Parks
A fundamental municipal role is to provide parks that are safe, clean and user friendly. Maintenance and renovation of park infrastructure is of fundamental importance to user safety and satisfaction and to maximize the benefits of the public investment in facilities.
  ➢ Park access and upkeep
  ➢ Invest, not expand
  ➢ Park investment
  ➢ Enforcement and regulation
  ➢ Four-season use

Ensure Adequate and Stable Funding
Appropriate funding and re-investment is needed to realize the benefits of the park system and to assure resident satisfaction. This includes maximizing the efficiency of the park and recreation system to help reduce operating and management costs and creating new sources of dedicated funds for parks.
  ➢ Ensure stable and adequate funding
  ➢ Diversify funding sources
  ➢ System approach
  ➢ Continue to create efficiencies

Build Partnerships

Duluth has an involved community of organizations, groups and individuals who support parks and recreation. Maximizing the benefits of their efforts is a key to a successful park and recreation system.

- ➢ Empower volunteers
- ➢ Partner with others
- ➢ Share information
- ➢ Collaborate on promotion

Ensure Equitable Access

Duluth has an extensive system of parks and recreation facilities that serve most residents well. However, there are gaps in the location of high quality parks and indoor recreation. There is a need to address not just physical access to parks and trails, but also address access to programs. In addition, there is a need to provide access to large numbers of the non-traditional populations.

- ➢ Overcome economic limitations
- ➢ Address geographic gaps
- ➢ Ensure quality facilities
- ➢ Overcome physical limitations
- ➢ Provide for multiple cultures

Connect the Community

Duluth has many trails, but lacks a connected trail network. Facilities, as well as safe and pleasant routes for bicycle riding are lacking. Trails are the most popular recreation facility and warrant continued City investment.

- ➢ Premier trail city
- ➢ Hiking/walking
- ➢ Biking
- ➢ Skyline Parkway
- ➢ Partner on maintenance

Connect with Nature

Duluth is defined by its natural resources and scenic views. Nature is an amenity that attracts residents and visitors to the City. Continuing to enhance access to nature will improve livability and attract residents, businesses and visitors.

- ➢ Manage it
- ➢ Preserve it
- ➢ Coordinate and partner

Continue to Meet Evolving Recreation Needs

The City of Duluth and its partners provide a diverse range of recreation opportunities, with some facilities that need improvement.

- ➢ Indoor recreation – Gymnasiums and indoor recreation spaces are key elements of a balanced recreation system, especially in a winter city like Duluth
- ➢ Athletic fields – Plan for projected multi-use turf field needs
- ➢ Manage off-leash dog use
- ➢ Outdoor ice skating
- ➢ Recreation programs
- ➢ Self directed recreation

Be Sustainable
A sustainable park and recreation system is one where the economic, equity and environmental aspects of recreation and stewardship are balanced with available resources to meet the needs of the present without compromising the ability of future generations to meet their own needs. Part of sustainability is the resilience to adapt to changing conditions, trends and needs.

➢ Park stewardship program - Active engagement in the care of parklands leads to a deeper appreciation of their value
➢ Sustainable trails
➢ Resource management
➢ Awareness and education
➢ Community gardens

Business/Program Structure

Duluth attracts outdoor-oriented people to live, work, play, and visit.

The confluence of Lake Superior and the St. Louis River is the reason for the founding of the city and the stunning lake side setting and proximity to nature have been enduring elements throughout Duluth's history. Tourism, health care and education have replaced transport and resource extraction as Duluth's economic engine. Parks, trails, recreation and nature are vital to resident's quality of life and to Duluth's new economy. Duluth's scenic qualities, parks, recreation opportunities, access to nature, and the Lakewalk attract people to move to Duluth as well as to visit Duluth.

Duluth has an exceptional system of parks, open spaces, trails and recreation attractions. The Duluth park and open space system includes over 11,000 acres of land providing a diverse mix of neighborhood, community, nature and athletic parks. The system includes specialized facilities such as golf courses, and unique attractions such as the Lake Superior Zoo and Spirit Mountain Recreation/Ski Area. Amenities such as the Lakewalk, Bayfront Festival Park, Park Point, the Rose Garden, Skyline Parkway, Hawk Ridge and Chester Bowl attract visitors and locals alike and help define the identity of the City. The Superior Hiking Trail links the City and the entire North Shore.

<u>Division History</u>

Parks and Recreation was a large department for many decades and included a maintenance division until the mid-1980s, a golf division (two 27-hole courses) until 2007, and a zoo division until 2009. Both the Golf and Zoo divisions are now managed by entities via agreements with the City. During 2008 and 2009, the City's organizational structure underwent several revisions and in 2009, Parks and Recreation became a division of the newly formed Public Administration Department, which also includes a Maintenance Operations division. Having Parks and Recreation and Park Maintenance again under the same department, along with Facilities Management, is a bonus, improving communication and coordination.

Parks and Recreation derives its authority to permit uses at parks, trails, community centers, sport fields, and other green spaces and to prohibit specific activities from Chapter 35 of the City Code.

Organization of the Division

The organization of this division can be described most simply by these two broad components of job responsibilities:

1) general public relations and managing the use of our parks and trails

2) partnering with sport groups, community groups, non-profit service providers, the School District, and others to facilitate the use of our community centers, neighborhood ball fields, sport facilities (tennis, basketball, bocce), and the Wheeler and Wade sport complexes

The Parks and Recreation division is funded by the City's General Fund. Costs are not broken down by component.

Key Operational Functions

Schedule and permit parks, centers, fields: Work with individuals and groups wishing to use our facilities. Use a process to schedule and document use and collect fees. Issue alcohol permits, coordinating with the Police Department. Issue buskering permits. Coordinate these uses with other City divisions, as appropriate (Park Maintenance, Facilities Management, Police, Clerk's office, Attorneys).

Communications and media: Provide "information and referral" services to customers calling, emailing, and visiting our office. Maintain charts, databases, lists, maps, diagrams, brochures, posters, website, and Facebook to provide current information to the public. Issue media releases to inform the public of upcoming events/activities. Work with the media for press conferences, grand openings, and other significant events. Update reports, statistics, and forms as changes occur. Organize and facilitate public meetings.

Parks Commission: Provide staff to process meeting minutes and update the commissioners. Provide meeting space and support. Assist in the coordination of volunteer projects. Assist with Grant programs. Provide information on the Commission to the media and public.

Facilitate program opportunities: Work with various community agencies, organizations, businesses, and volunteers for: ice skating at the Duluth Heritage Sports Center, the DECC, and Bayfront; turf programs at the Duluth Heritage Sports Center; summer activities at Bayfront Park; summer concerts and winter downhill skiing at Chester Bowl; movies in the park at Leif Erikson; lifeguards at Park Point beach house; summer youth activities at various locations; year-round youth services at Washington, Irving, and Grant; senior dining and recreation at Morgan Park, Evergreen, and Portman; youth and senior special events; various sport leagues such as, flag football, basketball, softball, baseball, volleyball, soccer, football, hockey, bocce, and tennis; and trail building and maintenance. Write and implement grants. Maintain inventory of recreational supplies and equipment.

Partnering and networking: Meet with various agencies, organization, individuals, and other governmental units to discuss opportunities. Develop and maintain relationships for the long-term which will benefit the City. Regularly update and inform partners. Keep the lines of communication open and accessible. Develop partner relationships to implement opportunities by negotiating and supervising agreements. Provide on-going management of the agreements to maintain the best use of the facility as well as being proactive with future facility and community needs. Attend senior club meetings, community club meetings, and serve on Boards. Another aspect of partnering and networking is within the City, across divisions: Develop and maintain relationships for the long-term. Regularly update and inform partners. Keep the lines of communication open and accessible. Follow through with tasks and responsibilities. Attend meetings as requested.

<u>Organizational Chart</u>

Parks & Recreation Manager

(1 employee; 1.0 FTE)

Partnering/Networking

Public Relations/ Managing Facilities

Operations Coordinator
(1 employee; 1.0 FTE)
Recreation Specialist
(1 employee; 1.0 FTE)
Senior Center Coordinator
(1 employee; 1.0 FTE)
Trails Coordinator
(1 employee; 1.0 FTE)

Public Information Coordinator
(1 employee; 1.0 FTE)
Administrative Information Specialist
(1 employee; 1.0 FTE)
Special Events Coordinator
(2 employee; 1.5 FTE)

Significant Trends and Changes

Recreation, like nature, is constantly evolving. New technologies, trends, cultures, and activities bring changing facility and program needs. Parks and Recreation must keep pace with these changing needs. By building flexibility into park and recreation facilities, we will be able to adapt to new needs without expensive changes.

Recreation trends change over time as a result of demographic, social, economic, environmental, and cultural changes. Changes in recreation affect park and recreation facility wants and needs. There are significant recreation trends that may affect change in the City of Duluth including:

- ✓ **More Mobile -** Trails are the number one desired recreation amenity. Trails can be used by people of all ages and abilities. Many people are interested in passive and natural resource based recreation such as hiking, nature study, bird watching and fishing that demand more recreational/leisure space and locations that will also cater to specific demographic factions.
- ✓ **Non-Traditional Sports -** Non-traditional recreation and individual activities - such as skateboarding, in-line skating, off road biking, geocaching, and disc golf are increasing in popularity and are competing for recreation time and facilities.
- ✓ **Health Conscious -** All age groups are seeing an increase in obesity rates, along with associated health risks, such as heart disease, high blood pressure, and diabetes. Analysis has found a connection between urban living and health – residents living in sprawling communities tend to weigh more than their urban equivalents. Promoting walkability, active recreation, and healthy food choices will be beneficial to all demographics. There will be a higher demand for more fitness and trail opportunities, increased active living opportunities, and a seamless integration of body and mind that are part of a quality lifestyle. City residents and visitors will also be seeking locally grown food and the opportunity to grow their own food within community gardens, perhaps on City land.
- ✓ **Dog-Centric -** A 2009 study (Lifestyle Market Profile) showed that there are more households with dogs (36%) than households with children (26%) in the Twin Cities Metro Area. A high level of dog ownership is likely in Duluth as well. Off-leash dog parks and dog walking are very popular activities now and into the future. This increase in dog ownership also brings a greater need to control off-leash dogs in unauthorized areas.

A review of Duluth's existing and projected population is important in determining future park and recreation needs. Comparing the past to the 2000 census provides some clues about future demographic trends, but probably under represents the degree of demographic change that has occurred in Duluth in the last 10 years and the likely change in the future. Significant demographic trends that have and will likely continue to affect change are:

- ❖ **Increasingly Diverse -** The U.S. is the only major industrial country with an expanding population fueled primarily by immigrants. Along with increased racial and ethic diversity, trends are showing an increased desire for multi-age interactions and exchanges.
- ❖ **Redefining Family -** It is estimated that only twelve percent of new households over the next twenty years will have children. The traditional family, two parents with kids, occupies a minority of households. Duluth's natural increase (births

minus deaths) is near zero. This is a sign of an aging population and a small number of families in their child-bearing years present in Duluth (a decrease in residents between the ages of 25-40) (2006 Comprehensive Plan).

- ❖ **Aging Actively -** The 65-and-older population is expected to grow by 147% from 2000-2050. Many in our aging population group seek changes in lifestyle to reflect their lack of child-care responsibilities and often expanded recreation, educational and cultural interests. Therefore, the City of Duluth will need to provide an environment that fosters participation in economic and civic affairs; cultivates spiritual, social, and cultural enrichment; and offers a broad range of outdoor and active recreation choices.

Changes in our physical environment - climate, geography, geology, wildlife, plant life, etc - affect our day-to-day and long term recreation habits and opportunities and are often distinctly tied to our social health and wellbeing. Environmental trends that have and will likely continue to affect change are:

- ▪ **Changing Climate -** The warm winters and variable precipitation rates of the past decade have negatively affected winter sports like ice skating, hockey, and cross-country skiing; causing a reconsideration of certain park uses. Climate change has also increased people's interest in environmental sustainability and energy efficiency. Society is becoming more environmentally conscious and is seeking urban areas that offer mass transit, denser living, green development and walkable neighborhoods where they can make a difference by living more sustainably. Bike routes, trails, bike lanes, and complete streets will all be important tools for building a sustainable network for walking and biking within Duluth.
- ▪ **Interest In Nature -** Increased sensitivity to ecological issues and the benefits of a healthy ecosystem have people demanding more natural experiences from parks and recreation. People desire more educational or interpretive programs, are seeking a better balance of environment and recreation, are looking for more passive open space, and have an amplified interest in aesthetics and gardens.
- ▪ **Four-Season Recreation -** As a northern city, Duluth must offer recreation opportunities across a range of seasons. Four-season recreation requires a broader range of facilities and experiences and presents additional challenges for maintenance and operations - making ice-skating (and assisting community groups with skating sites), grooming trails for cross country skiing, plowing paved trails for winter use, holding events and providing indoor recreation space (gyms, ice arenas, etc) are all part of a balanced winter recreation system.

Economic conditions change over time and affect the City's ability to provide park and recreation services. Park and Recreation services are also influenced by the local and regional economic growth trends. Some of these economic trends that may affect change in the City of Duluth include:

- ▪ **Fiscally Challenged -** Reduced revenue from the State of Minnesota to local governments and schools, rising health care costs, anti-tax sentiments, and increasing fuel and material costs, are reducing the resources available for park and recreation improvements and upkeep. There is an increased need for partnerships, volunteers, creative funding sources, and a renewed focus on quality over quantity. There is also the need to seek new sources of funding.

- **Experience Economy -** Studies show that people receive more enduring pleasure and satisfaction from investing in quality experiences than material possessions; and recent trends show, even during a recession, people still seek quality experiences while cutting back on other necessities. With its wealth of parks, trails, and recreation places, Duluth is well positioned to take advantage of this emphasis on experience if the parks and places are safe, well maintained, connected, and pleasing.
- **Craving Culture and the Outdoors -** Culture tourism is the fastest growing form of tourism and visitors tend to spend more and stay longer than other tourists. As the trend for outdoor recreation increases, Duluth should be prepared to offer recreation and interpretation opportunities that balance sensitivity to the ecological and cultural world while capitalizing on adventure sporting opportunities.
- **Health Care Costs and Sedentary Lives -** We can provide excellent health care, but the lack of activity in most American's lives more than offsets our health care technology. It is time that we acknowledge that parks, recreation, trails and active lives are a key to our personal and community health. Duluth can be a leader in active living and creating a healthy community, through expanded bicycle and walking connections, use of complete streets, promotion of active lifestyles and physical activity, and commitment to creating a walkable community.

SWOT Analysis

Beautiful scenery and access to the outdoors are two of Duluth's greatest assets.

Internal Strengths	Internal Weaknesses
- Great extensive park system; well distributed - Most Duluth residents are within ½ mile of a City park - Well loved by residents and visitors alike - Committed and passionate recreation groups and volunteers - Excellent nature oriented parks and city setting - Parks/trails of state and national significance - Parks play a vital role in Duluth's economy and quality of life - Trails are the most popular recreation activity/facility - Volunteer groups are vital to trail development and maintenance - Many good, creative, intelligent, committed, and dedicated City employees - Positive impact on youth, seniors, and families - we serve from the cradle to the grave - Our resources are a positive influence on tourism - parks and trails	- Lack of a connected trail system and bikeways - Busy roads, railroads, and creeks inhibit easy access to parks for some residents - Budgets, staffing, recreation programs, and maintenance have been significantly reduced - Large annual maintenance commitment and regular replacement requirements - City resources are needed to maximize benefit of volunteers and partner organizations - Park maintenance needs exceed budget and staff resources - resulting in reduced maintenance and upkeep of some parks - Duluth has both seasonal and physical challenges to mobility: the winter challenges of ice, snow, and cold weather as well as the topographic challenges that hinder mobility - There is a greater need for convenient access to parks in the urban core and some central and western neighborhoods (low mobility areas) - Skyline Parkway is not pedestrian-bicycle friendly - Technology and our website – we can't meet our customer's needs

External Opportunities	External Threats
• Improve the quality of life • Be trendy, stay up with current interests, and be proactive - respond quickly to community needs • Green and environmentally friendly - facilitate sustainability • Network and partner with colleges, neighborhoods, community groups, and non-profit agencies: help facilitate those connections • Clearinghouse for information for people in the community • Facilitate special events (Warmer By The Lake, Music In The Park, Movies In The Park, indoor ice skating at Heritage) • Attract young families to Duluth via our parks, fields, playgrounds, trails, and ski hill • Apply for grants for current and new services and facilities • Gain recognition as a trails destination location • Develop new funding sources • Improve accessibility	• Reduced budget • Heightened expectations by public and neighborhood organizations • Public perceptions of what we do • Restrictions and/or barriers for making networking relationships work • Low morale of staff – too much change for too long • High stress levels of staff - too much work and too few people • Who has the political power in neighborhoods and how they use it • New federal and/or state laws

III.   OPERATIONS

Revenues

Parks and Recreation receives revenue from three main sources: permits, rentals, and grants. Permit and rental fees are deposited into the General Fund and have no impact on our division budget. Grants are received for specific programs or projects and thus are deposited into specific accounts and only used for those purposes. This does have a positive impact on our budget. Through grants, we are able to provide services that we would otherwise not be able to.

For permits and rentals, payment in advance is usually required. Permits will not be issued without payment. For some sport facility rentals, we invoice the organization after all the games have been played (accurate game count is not known in advance).

Personnel

We have 9 staff and 8.5 FTEs. Two staff are ¾ time. Three are professional level positions: Manager, Operations Coordinator, and Public Information Coordinator. The remaining six are skilled positions: Trails Coordinator, Recreations Specialist, Senior Center Coordinator, Administrative Information Specialist, and two Special Event Coordinators.

Current staff have been working for Parks and Recreation ranging from 11 years to 28 years. All staff have seen their job responsibilities change since they were first hired, some dramatically. Our staff are excellent in what they do and work with commitment and pride. They are very consumer oriented. Multiple changes and downsizing over the past 6+ years has taken its toll on staff. They are more prone to stress and anxieties.

Training continues to be a need. With most staff doing different job responsibilities, training is needed to improve competencies, bolster confidence, and ease anxieties. With such a small staff, cross training is a must. Training requirements include computer software use (GroupWise, Word, Excel), team development, leadership roles in the community, communication skills (written and oral), recreational trends, and uses of new social media. We have increased our efforts to offer training this past year and will continue to do so whenever the opportunity becomes available.

Most of Parks and Recreation staff are performing job responsibilities that differ from their current job descriptions. Two staff have had recent job audits (Manager and Operations Coordinator) and the Trails Coordinator's position is new. The remaining

positions need to be audited; however, this should wait until we have implemented changes from the Master Plan.

We were able to hire temporary staff for the ice skating season this past winter. We would also like to hire temporary staff for the summer season for concerts and turf and skating programs at the Heritage Sports Center. These seasonal programs put added stress on current staff and often, due to high participation numbers, we need additional staff.

Our division has many policies in place. Some, out of necessity, have been updated regularly. Some are outdated and need revision. This effort has been on hold for years due to reduced staffing.

There are two staff within our division that will be eligible for retirement by the end of 2012. The next group of eligible staff are probably six or more years away from retirement. The Parks Master Plan recommended the addition of two positions: Trails Coordinator and Volunteer Coordinator. Community input demonstrated their desire for additional Recreation Specialists to be officed at community centers. The current hiring plan includes hiring a Trails Coordinator (which will be accomplished in April 2011), hiring seasonal temporary staff, and replacing existing staff that retire or resign. If additional funds become available, then we would like to hire a Volunteer Coordinator.

Key Expenses

The major expense for Parks and Recreation is staff and fringe benefits. All other expenses are dependent upon staffing. Most of the other miscellaneous expenses change with staffing levels: supplies, utilities (phone, internet, garbage), concerts, travel/training, printing, small equipment, repairs, dues and licenses, rentals, and agreements.

Location & Facility

The main office for the Parks and Recreation division is the Central Hillside Community Center. Seven of our nine staff have offices here. This is an ideal location: centrally located; accessible; easy to find for customers; off street parking; large meeting rooms for community, public, and coordination meetings; meeting space for the Parks Commission; and ample storage for supplies. We have been in this location since 1996. It has allowed us to provide the best customer service as well as schedule and supervise building use for community and rental needs. Office hours are Monday through

Thursday from 8 am to 4 pm. This schedule was instituted when staffing was reduced in 2008 and has worked well.

A secondary location is the Washington Center. Two staff have offices there and schedule, manage, and supervise the various uses of that facility. The gym at Washington is used extensively. There is also a meeting room. Several organizations have offices and programs there: Neighborhood Youth Services, Early Childhood and Family Education, and Duluth Area Youth Basketball Association.

We also have two staff that regularly visit other community centers to manage and supervise programs and check up on rentals. The main centers are Portman, Bayfront Family Center, Duluth Heights, Evergreen, Memorial, and Morgan Park.

We supervise many management agreements with local non-profits at other community centers: Woodland, Grant, Chester Bowl, Lower Chester, Lafayette, Park Point Beach House, Piedmont, Harrison, Lincoln Park, Merritt, and Norton Park. Staff also supervise the management agreements for the Zoo and Golf Courses as well as use agreements at Wheeler Sports Complex and Wade Stadium. This requires regular visits and meetings.

Legal issues

The majority of our legal issues revolve around management or lease agreements, interpretation of City Code and UDC, and customer or City Council requests. We have worked very well with the Attorneys' office on all of our issues.

Key Customers

Key customers of Parks and Recreation include all Duluthians of all ages as well as visitors to Duluth. Secondary customers include many City divisions that we interact with on a regular basis. Another type of customer that we interact with regularly are non-profit community and youth organizations.

Key Suppliers

No issues/concerns

Capital Expenditures

Small capital expenditures include computers and furnishings. Capital improvement needs are being outlined as we implement the Parks Master Plan and will be coordinated with Facilities Management and Park Maintenance. Some improvements include ADA accessibility for buildings, parks, and trails; energy reductions; roof and window replacements; trail heads; gazeboes; picnic shelters; playgrounds; outdoor public bathrooms; resurfacing courts; ballfields; bridges; replacing trees; and erosion control.

Inventory

We have one truck at Chester Bowl that needs replacing. Funds to do this are in the 2011 budget.

IV.   WHAT DO WE WANT TO ACHIEVE/WHAT DO WE WANT TO BECOME?

Vision

> Duluth Parks and Recreation will continue to be the central driving force in strengthening the heritage of a healthy, active community for future generations by continuing on the path of improving and enhancing our parks and facilities; protecting our natural resources; and developing partnerships to deliver recreation programs and services.

This is a new vision statement developed by staff in 2010 about half way through the Master Plan process. It incorporates the changes that have occurred over the past 4 years and reflects trends in our society. It demonstrates purpose and commitment and is achievable.

A gradual transition to take Duluth's parks, trails, and recreation from good to great starts with distinct strategies and actions.

Five-Year Goals & Objectives

Goal	Objective	Tactics	Measurement
Trails Master Plan	Develop comprehensive plan that coordinates all trails users	Work with Consultants, special Advisory Group, user groups, and public input	Written plan with implementation steps
	Secure funding to make trail improvements	Develop partnerships with trail user groups for grants, fundraising, and volunteer hours	Amount of funds raised and projects completed
	Have seasonal coordination meetings for trail users	Schedule and promote	Attendance and cooperation
Goal	Objective	Tactics	Measurement
Website Improvements	Add links to partner organizations	Determine partners; obtain permission; work with MIS to accomplish	Number of links added
	Develop park map with links similar to trail map	Work with MIS to develop	Successful addition to website
	Add more pictures, virtual tours, and improved maps	Obtain pictures, virtual tours, and improved maps from staff and volunteers; work with MIS to install	Successful addition to website
	Maintain updated information	Determine system for staff to accomplish this in a timely manner	No outdated information to remain on website longer than one week; new

			information added before start date
	Become the "go to" website for recreational and sports opportunities provided by other organizations	Coordinate efforts with Friends of the Parks, Fit City, and other City divisions	Positive consumer feedback
Goal	Objective	Tactics	Measurement
Agreements	Develop tracking system for agreements to maintains records and reports	Spreadsheet and calendar notices for insurance, payments, financial statements, non-profit status	Deadlines are met and needed documents received on time
	Determine which agreements need to be negotiated and follow through	Generate list with staff and other divisions; review periodically; add to as needed; work with Attorneys office to complete agreements	Number of completed agreements
	Monitor agreements for compliance	Assign staff to regularly visit locations and meet with agreement holders	Reduction in complaints or issues to resolve
Goal	Objective	Tactics	Measurement
Mini Master Plans for community centers	Determine which locations need a mini master plan and prioritize	Generate list with staff and other divisions; review periodically; add to as needed	Comprehensive list
	Coordinate with Friends of the Parks and community groups	Develop network to increase participation in the process and buy in from the community	Attendance at meetings and input received

	Develop mini master plans and implement as funding becomes available	Use process approved by City Council	Completed mini master plan that are supported by the community
Goal	Objective	Tactics	Measurement
Improve funding sources	Develop system for locating and applying for grants	Review newsletters, listserves, websites, and other publications regularly; assign staff to write and submit grants	Number of grants received and amount of funds awarded
	Maintain good partnerships with organizations that can help with grants and fundraising	Hold regular coordination meetings; communicate with partners	Number of grants that are submitted with partners and amount of match or in-kind donations and volunteer labor provided
	Work with Administration to secure a Parks Fund (dedicated, tax based)	Follow up with procedure to put a referendum question on the ballot	Successful vote at elections resulting in a sustainable budget into the future

V. HOW ARE WE GOING TO GET THERE?

Major Issues and Recommended Solutions

Issue 1 – Need to increase funding and determine sustainable funding

Solution: Dedicated Park Fund and larger grants. Increase awareness of benefits of a well funded parks system to the public and elected officials.

Issue 2 - Infrastructure needs to be maintained and improvements made for safety, accessibility, energy efficiencies, and space needs for current and future uses

Solution: Prioritize work needed and dedicate funds to accomplish. Obtain support from all City divisions to plan and implement.

Issue 3 – Partnerships are important to the success of Parks and Recreation

Solution: Nurture current partnerships and develop new partnerships. Meet regularly and communicate openly and in a timely manner. Share resources when able.

Issue 4 – Join the Social Media revolution

Solution: Work out problems with MIS and Attorneys office to develop Social Media sites. Use sites to inform public, announce activities, and inform of changes.

Issue 5 – Complete Parks Inventory including history, deeds, land status, acreage, correct name and address, and type (community, regional). City staff with this knowledge and the abilities to accomplish this may be retiring soon.

Solution: Make the completion of this inventory a high priority. Meet with staff from multiple divisions to agree upon the data in the inventory and for all to use it consistently. Develop succession plan to train staff.

Issue 6 – Coordinate Volunteers and volunteer programs

Solution: Assign staff specific responsibilities to coordinate the variety of volunteer calls received and the volunteer needs of our division: scheduling, training, recognition,

reporting, safety, background checks, etc. Provide easy to find information on our website. Hire a Volunteer Coordinator when fund become available.

VI. WHAT RESOURCES ARE WE GOING TO USE?

Finance Plan

A Finance Plan is being developed based on the Parks Master Plan. One of the major action steps recommended was to develop sustainable funding. We are working on a voter referendum and a different way of financing the parks system. Seeking larger grants intentionally for system needs will also be part of the plan.

Workforce Plan

A workforce plan is being developed based on the Parks Master Plan. One meeting has occurred with staff to begin this work. Lisa Potswald is facilitating this process. A series of meetings will be required to complete the plan. Completion is anticipated by the end of 2011.

Technology Plan

We have been working with MIS on our technology needs. Recently a plan for computer upgrades was developed. We have a few computers that are too old with old versions of programs or no programs at all. It makes it very difficult if not impossible for staff to do their work. We hope to have replacements for those computers in the next couple of months.

Our other technology needs are to have forms on our website that can be filled out and submitted online and to be able to accept payment online via credit cards. We hope to include our need in MIS's plans.

Equipment Plan

Computer equipment plan is being worked out with MIS. Replacement equipment is needed at most community centers. Current equipment is in disrepair and some are unsafe. Our plan is to replace tables and chairs at community centers based on the condition of the equipment and how often it is used. There is a specific fund set aside each year for this purpose.

Space Plan

Our space needs are current being met very well, thus no need for a plan. Recent renovations to our office area have helped with energy efficiencies; have increased productivity through better work spaces; and have improved morale and public appeal with fresh paint and new carpeting.

VII.   Management and Organization

Management Team

Our division Manager has 34 years of management team experience, 28 of them with the City of Duluth. The two other members of the management team (Operations Coordinator and Public Information Coordinator) also have extensive experience with the City as well as other organizations (golf courses, School District, WLSSD, and the media). Each member of the management team brings different and complementary competencies to the team. Each member of the management team also has broad-based duties and can fill in wherever needed. This makes the team versatile, flexible, and accommodating to last minute changes.

Succession Plan

We do not have a formal succession plan. With such a small number of staff and many of them around the same age, it has been impossible to do much succession planning from within. We have two staff eligible to retire by the end of 2012. There are no existing staff that have the needed skills and none that have expressed an interest in learning. Our current hiring system does not allow us to hire before someone retires so that they can train the new person and share their knowledge. Our biggest loss will be to lose the historical knowledge of our parks, trails, green spaces, centers, programs, partnerships, policies, and processes.

The succession plan for the division Manager is very informal at this time. With 6-12 years before the Manager retires, there is time to develop a more intentional plan. We have started this past year by offering training in leadership and management to the second in command person, the Operations Coordinator.

Outside Professional and Advisory Support

- Commissions/Boards

  - Parks and Recreation Commission
  - Fit City Board
  - Duluth Heritage Sports Center Board
  - Grant Community School Collaborative Board

- ➢ Friends of the Parks Board
- ➢ DNR's 25 year Parks and Trails Legacy Plan Steering Committee
- ➢ Lake Superior Zoological Society Board (non-voting member)

- Outside agencies and partners

  - ➢ Chester Bowl Improvement Club
  - ➢ Duluth Heritage Sports Center
  - ➢ Volunteers Caring and Sharing
  - ➢ Irving Recreation and Events Association
  - ➢ Community Action (Tax Aide, Seeds of Success)
  - ➢ SVCNDA
  - ➢ YMCA
  - ➢ LISC
  - ➢ DEDA
  - ➢ COGGS
  - ➢ Cross Country Ski Club
  - ➢ Spirit Mountain
  - ➢ ISD # 709
  - ➢ Bentleyville Tour of Lights
  - ➢ Greater Downtown Council
  - ➢ Safe and Walkable Community Coalition
  - ➢ ARDC/MIC
  - ➢ Northwood Children's Home
  - ➢ Arrowhead Economic Opportunity Agency
  - ➢ Community Clubs
  - ➢ Senior Clubs
  - ➢ Rainbow [Senior] Center
  - ➢ Lincoln Park [Senior] Center
  - ➢ Neighborhood Youth Services
  - ➢ Youth Sports groups (soccer, basketball, hockey, softball, baseball)
  - ➢ Youth Agencies (Boys and Girls Club, Valley Youth, Copeland)
  - ➢ NAACP
  - ➢ Duluth Softball Players Association
  - ➢ Hartley Nature Center
  - ➢ Hawk Ridge
  - ➢ Grandma's Marathon
  - ➢ DNR

- Attorneys – internal only

- Accountants - internal only

- Insurance agents - none

- Bankers - none

- Consultants

  - ➢ Hoisington Koegler Group Inc (Parks Master Plan)

- Mindy Appold of Appold Design (several landscape architecture projects)
- Lyke Sydow (several landscape architecture projects)

- Mentors and key advisors

  - Greater MN Parks and Trails Alliance
  - MN Recreation and Parks Association
  - National Recreation and Parks Association
  - Tim Howard, Business Development, City of Duluth
  - Mary Morgan, Director, Superior Parks and Recreation

VIII. Appendices

2010 Performance Measurements – updated August 25, 2010

Goals and Objectives	Resources	Output	Measures	Outcomes and Results
Improve distribution of information to the public.	- Amy Norris - Pakou Ly - Judy Gibbs - MIS - Friends of the Parks	- more information and more accurate information on website - better access by public	1 – Maintain up-to-date information on our website within 1 week of changes	**On-going** - increase customer satisfaction - quicker access to information by public - reduce phone calls to office for simple information that can be accessed on the website - reduce mailings (customer can print information at home)

Improve customer service	- all division staff - Buildings and Grounds staff - Facilities Management staff - Tim Howard - Friends of the Parks	- more satisfied customers - more informed customers - improve communication = less misinformation circulating in the public	2 – Respond to customer emails and phone messages within 3 working days	**On-going** - increase customer satisfaction - quicker resolution of questions/concerns - decrease need for public to contact the Mayor and/or City Councilors
Determine public satisfaction of special event programming	- Amy Norris - Pamela Page - Chester Bowl Improvement Club	- increase staff knowledge of what the customer wants at a concert - improve ability to plan future concerts and special events	3 – Implement a customer satisfaction survey at 25% of Chester Bowl summer concerts	**Yearly – Summer only** - unable to accomplish this goal in 2010 due to staffing challenges - will implement in 2011
Increase funding available for Parks and Trails system improvements and new initiatives	- Amy Norris - Judy Gibbs - Terry Groshong - Buildings and Grounds staff - Friends of the Parks	- ability to make improvements to much needed areas of infrastructure - ability to respond to new initiatives (ie Tree Inventory) - ability to continue or improve events via sponsorships	4 – Acquire 50% of grants and sponsorships applied for	**On-going** - have exceed the 50% goal - applied for STAR grant: denied first time, successful second time - applied for Solar Legacy grant: have not heard back yet - applying for Duluth Legacy grant: deadline October 1 - obtained MPR sponsorship for Music in the Park (Chester) -obtained GDC sponsorship for Movies in the Park (Leif Erikson)

Determine statistical data for Parks and Trails system for customer service, reporting, grant writing, Master Plan, maps, etc	- Mona Talbot - Amy Norris - Judy Gibbs - Al Odean - Tim Howard - Buildings and Grounds staff - Friends of the Parks	- update maps for City use and public use - update historical information - update chart of park amenities - improve information on our website - provide information to the DNR for consideration in the 10/25 year Parks and Trails Legacy Plan and U of M mapping project- Buildings and Grounds staff - Friends of the Parks	5 – Improve accuracy of inventory documents for our park system by 25% in 2010	**On-going** - have exceeded the 25% goal - large and time consuming effort that will have to be carried over into 2011 - made significant strides via the Master Plan efforts - working with the DNR to finish updating their information on parks and trails of regional significance

Park Property Addresses

Amity Creek...Skyline & Snively Blvd
Amity Park.. Graves Ave & Occidental to Vermilion Rd
Arena Waterfront...S 5th Ave W
Arlington Athletic Complex ....601 S Arlington Ave
Bardon's Peak Forest ....
Bayview Forest ....
Birchwood Park...Heard St & 102nd Ave W
Blackmer Park ....Beverly St & 84th Ave W
Boy Scout Landing ....(Block End) Southerly end of Commonwealth
Brewer Park/Bellevue Park ....N of Bellevue St & W of 57th Ave W
Brighton Beach (Kitchi Gammi Park) ....Congdon Blvd & 63rd Ave E
Bristol Beach Park .... Congdon Blvd & Leighton St
Buffalo Park... St Marie St & Vermilion Rd
Canal Park .... Canal Park Drive & Morse St
Carson Park ....127th Ave W (N of Fund du Lac)
Cascade Park ....6th St & 1st Ave W
Central Entrance ....5th Ave E & 9th St
❖Central Hillside Community Recreation Center ....Lake Ave & 4th St
Central Field ....between 10th & 11th Ave E & 11th & 12th St
Central Park...1st St- 4th St & 14th -17th Ave W

❖Irving Community Recreation Center ....20 S 57th Ave W
Janet Pollay Park ....Jean Duluth Rd & Evergreen Rd
Johnson Park ....Kenwood Ave & St Marie St
Jollystone Park..717 W 5th St
Keene Creek Park ....Bristol St & 63rd Ave W
Kelso Forest Park ....
Kelso Park .... 45th Ave E & Cambridge St
Kenwood Forest Park ....
Klang Park.. Orchard St & Boundary Ave (Proctor)
Knowlton Creek Blvd..............................Creek between Fairmont Park & Bardon's Creek Blvd
❖Lafayette Community Recreation Center ....3026 Minnesota Ave
Lake Park Athletic Complex .... Riley & Jean Duluth
Lake Place Park ....2nd Ave E & Michigan St
Lake Place Plaza ....Lake Ave & Superior St
Lake Superior Zoo ....72nd Ave W & Grand
Lakeside Court Park ....55th Ave E & the Lakeshore
Lakeview Manor Park .... 74th-75th Ave E & Avondale-Oakley
Lakeview Park .... 12th Ave E & Skyline Pkwy
Lakeview Sports Chalet...2940 Seven Bridges Rd
Leif Erikson Park ....11th Ave E & London Rd
Lester Golf Course .... 1860 Lester River Rd
Lester Park... 61st Ave E & Superior St
Lilliput Land .... 315 E 5th St
❖Lincoln Park Community Recreation Center ....25th Ave W & 5th St
Longview Tennis Court... 326 N 25th Ave E
Lost Park (lower Enger Park) ....22nd Ave E
❖Lower Chester Community Recreation Center ....1417 E & 5th St
Lyman Park ....29th Ave W & W Skyline Pkwy
Magney Park .... Skyline Pkwy W of Spirit Mountain
Manchester Square...46th Ave E & Peabody Lane
❖Memorial Community Recreation Center...5315 Grand Ave
Memorial Forest Park..
❖Merritt Community Recreation Center ....4017 W 7th St
Merritt Memorial Park (Rev LF).. 46th Ave W & Superior St
Michael Colalillo Medal of Honor Park ....Michael Colalillo Drive & Waden
Midtowne Park ....20th Ave W & 1st St
Minnesota Point Boat Launch .... 14th St & Minnesota Ave
Minnesota Point Forest Park..
Mission Creek Boulevard ....Becks Rd to Fond du Lac Park (131st Ave W)
Moose Hill Park .... East Lakeside
❖Morgan Park Community Recreation Center ....1242 - 88th Ave W
Morley Heights Park...Morley Pkwy (Spear to Leicester)
Morningside Park ....Rose St & Livingston Ave
Munger Landing ....Clyde Ave & St Louis River
Municipal Forest Reserves..
Napoleon B Merritt Memorial Park .... 128th Ave W (North of Fond du Lac)
19th Ave W Playground...19th Ave W & 1st St
New Park (unnamed/Hawk Ridge Estates First Addition)..................between 51st - 54th Ave E
❖Norton Park Community Recreation Center ....Coleman & 81st Ave W

❖Observation Community Recreation Center .... 914 W 3rd St
Old Main Park... 2305 E 5th St
Oneota Forest Park ....
Oneota Park ....75th Ave W & Skyline Dr
Park Point Community Recreation Area .... 45th St & Minnesota Ave
Pennel Park..Central Entrance & Arlington Ave
❖Piedmont Community Recreation Center .... 2302 W 23rd St
Point of Rocks Park ....14th Ave W & 1st St
Portland Square ....4th St & 10th Ave E
❖Portman Community Recreation Center .... 4601 McCulloch St
Rail Park.. by Main Library
Rev LF Memorial Park...46th Ave W & Superior St
Rice's Point Landing.. beneath Blatnik Bridge
Riverside Park ....85th Ave W & Spring St
❖Riverside Community Recreation Center..55 Cato St
Roger's Boulevard .... Lincoln Park to Chester Park
Rose Garden ....13th Ave E & London Rd
Rose Park.. Rose & Livingston St
Russell Square... 42nd Ave E & Pitt St
Skyline Parkway...from Spirit Mt to Seven Bridges Road
Smithville Park...90th Ave W & Clyde Ave
Snively Boulevard .... Summit St to Snively Blvd
Snively Park.. Bardon's Peak Blvd near 101st Ave W
Spirit Mountain Recreation Area ....9500 Spirit Mountain Place
Stanley Park.. Blackman Ave & Englewood
Strickland Park (Dr) .... 4th Ave W & 4th St (Mesaba Ave)
Twin Ponds .... W Skyline Dr & 14th Ave W
University Park..London Rd & 60th Ave E
Vermilion Trail Triangle ....Washington Ave & 1st St
Wade Stadium ....35th Ave W & 1st St
Wallbank's Park..Pacific Ave & Exeter St
❖Washington Community Recreation Center ....310 N 1st Ave W
Washington Square... Superior St & 43rd Ave E
Waterfront Park ....24th Ave E & the Lakeshore
Waverly Park... Snively Rd & Lakeview Dr
Web Woods..Pecan Ave
Wheeler Field Athletic Complex ....35th Ave W & Grand Ave
Winnipeg Park... 37th Ave W & Winnipeg Ave
❖Woodland Community Recreation Center .... 3211 Allendale Ave

this list does not include all sports facilities
❖**designates site with Community Recreation Center**

Triangles

Hiking & Ski Trails

Playgrounds

Location	Address	Year Installed
Birchwood Park	102nd Ave W & Heard St	2010
Blackmer	84th Ave W & Concord St	2001
Brighton Beach	70th Ave E	1986
Cascade	1st Ave W & 5th St	2000
Central Hillside	Lake Ave & 4th St	1993
Chambers Grove	135th Ave W & Hwy 23	1986
Chester Bowl	1801 E Skyline Pkwy	2008
Cobb	Woodland Ave & Redwing St	1990
Duluth Heights	33 W Mulberry St	1999
Endion	16th Ave E & 2nd St	1999
Fairmont	75th Ave W & Fremont St	2000
Fond du Lac	131st Ave W & Hwy 23	1996
Franklin Park	Lake Ave & 12th St	2000
Gary Recreation Center	Filmore & 101st Ave W	1986
Grant Recreation Center	9th Ave E & 11th St	1998/2007
Grosvenor Square	50th Ave E & Pitt St	1990
Harrison	30th Ave W & 3rd St	2005
Hillside Sport Court	4th Ave E & 8th St	1998
Indian Point	902 S 69th Ave W	1986
Irving	20 S 57th Ave W	1999
Keene Creek	63rd Ave W & Bristol St	1998
Klang Park	Proctor	1996
Lafayette Square	30th St & Minnesota Ave	2000
Lester Park	61st Ave E & Lester River Rd	1990
Lilliput	3rd Ave E & 5th St	1998
Lincoln	25th Ave W & 4th St	1999
Memorial	Grand Ave & Elinor St	2006
Merritt	40th Ave W & 8th St	1999
Midtowne	20th Ave W & 2nd St	1975
Morgan Park Recreation Center	88th Ave W & Falcon St	1998/2010
Morley Heights	Morley Pkwy & Spear Ave	2010
Morningside	Livingston & Rose Sts	1986
Munger Playground	11th Ave E & 8th St	1998
Norton	81st Ave W & Coleman St	1996
Observation	9th Ave W & 3rd St	1998
Park Point	45th St & Minnesota Ave	2008
Toy Ore Ship	45th St & Minnesota Ave	1996
Piedmont	2302 W 23rd St	2000
Playfront	S 5th Ave W & Commerce	2010
Portland Square	4th St & 10th Ave E	2007
Portman Square	46th Ave E & McCulloch St	2001
Riverside	Manitou & Cato Sts	2002
Washington Square	43rd Ave E & Regent St	2000
Wheeler Field	35th Ave W & Grand Ave	2001
Woodland	Allendale Ave & Osakis St	2001

Parks Master Plan – available on website:

http://www.duluthmn.gov/parks/master_plan.cfm

DNR's 25 year Parks and Trails Legacy Plan – available on website:

http://www.legacy.leg.mn/funds/parks-trails-fund/plan

BUSINESS PLAN –
FINANCE
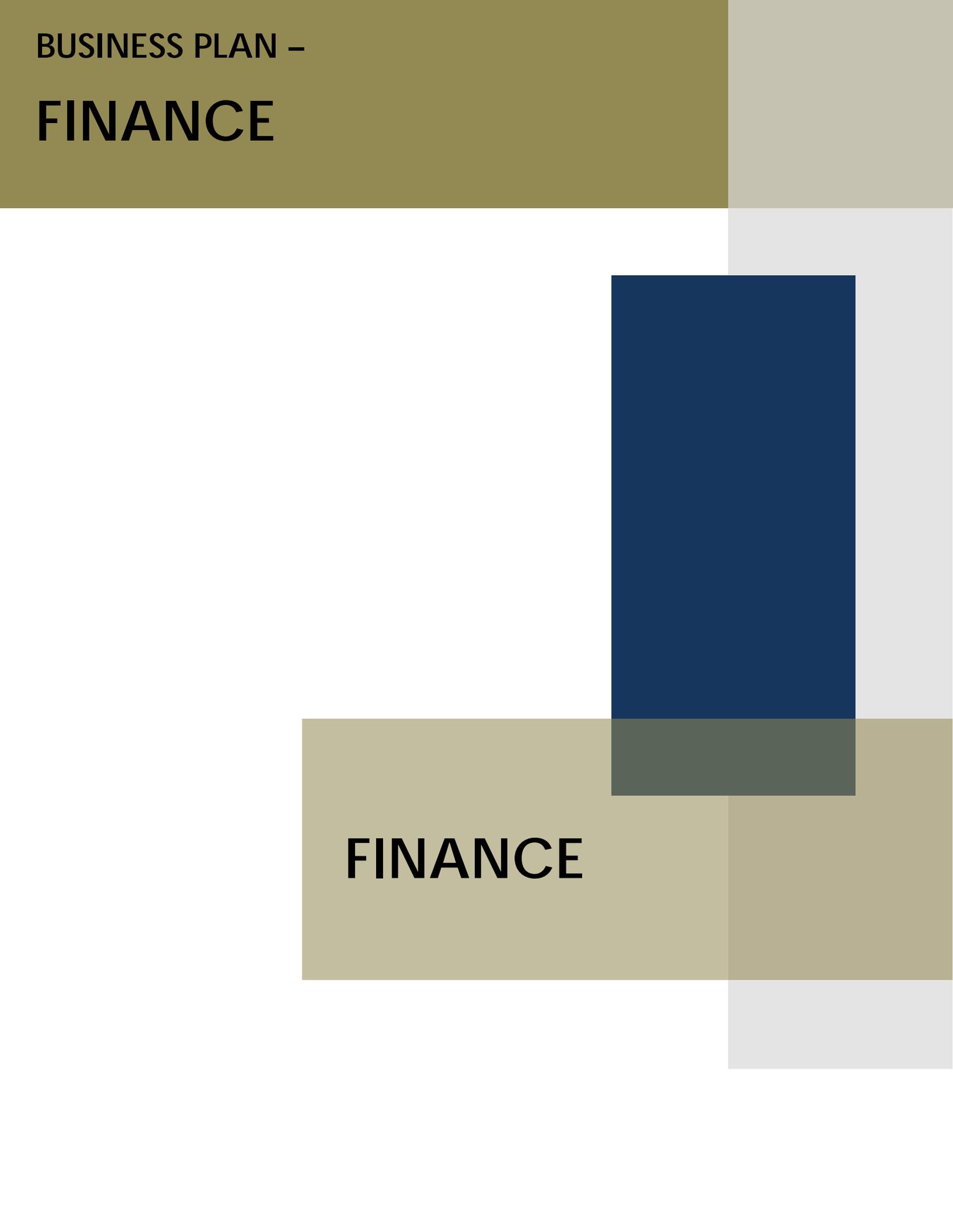
FINANCE

Business Plan

City of Duluth

Finance Department

2011-2015 Business Plan
Prepared by: Adele Hartwick
Submitted: March 31, 2011

I. EXECUTIVE SUMMARY

The City of Duluth's Finance Department includes the Assessor, Auditor, Budget, Purchasing, and Treasurer's divisions. Three of these divisions, Treasurer, Auditor and Assessor, are organized by City Code. The Chief Financial Officer oversees all five divisions.

At first blush, it does not seem that Finance provides direct citizen value. What we do is not sexy - we are not in the public eye, saving lives or improving streets. However, when you pull back the covers and dig a little deeper, it becomes quite apparent that what we do does have a very real impact to our citizens.

For example, the Assessor's office is responsible for maintaining equity among property owners. Without this equity, some property owners would not pay their fair share, forcing others to carry a larger burden than they should. The Purchasing Division ensures that we follow a strict code of ethics to get the best product at the lowest price – saving taxpayer dollars. The other divisions are responsible for protecting the City's financial assets, thus keeping fees and taxes as low as possible.

At a high level, the Finance Department has overall responsibility for the following:
- Equitably appraising and assessing all real property in the City;
- Incurring and managing debt;
- Tracking and approving capital purchases;
- The timely, accurate and thorough reporting of all financial transactions;
- Accurately processing payroll;
- Ensure all financial rules and regulations are being followed;
- Paying all vendors within 30 days under the purchasing and disbursal rules prescribed by Federal, State and City laws;

- Creating and reporting annual budgets and forecasts;
- Performing cost benefit/return on investment calculations on new projects/purchases;
- Purchase goods and services and sell surplus goods on behalf of the City in accordance with all applicable rules and regulations, obtaining best price for quality;
- Invest all monetary assets for best return within investment policy parameters ;
- Develop, implement and monitor cash management processes to secure all receipts; and
- Maintain accurate customer accounts and apply all receipts in a timely and accurate fashion.

The Finance Department staff is diligent, dedicated, intelligent and professional. They are aware of who their customers are and do their best to apply a common sense, fiscal approach to all their efforts. They always keep an eye on creating the best "product" at the lowest possible cost.

Resources are limited as with any governmental unit. Even working with restricted assets, we accomplished a lot in 2010. Our accomplishments include:

- We developed and executed a contingent financial plan, anticipating a reduction in Local Government Aid payments – which happened. Due to this proactive action along with some revenue increases, we generated a surplus in 2010. The City had a negative reserve in 2008. Now, just 2 years later, we anticipate a reserve balance of near $5m.

- We reduced debt by $6.5m – a very nice reduction.

- We moved our Comfort Systems payment processing system into the 21st century. Our customers are now able to pay their bills on-line 24-7 in a variety of ways. They can use their debit or credit cards, or have funds

transferred directly from their accounts. They can control how and when payments are made. They can change their payment preferences every month if they choose to.

➤ We brought in a temporary collector who collected over $400k in old outstanding debts. This was a huge task – but with a huge benefit.

➤ We maintained a high bond rating which keeps the cost of debt down.

➤ We received awards for the comprehensive, professional manner in which we present our budget and annual financial reports.

➤ We hired a payroll professional to manage our +800 person payroll. This provides security that we are paying people accurately. We cleaned up several old payroll issues and performed a thorough system check to ensure staff is being paid properly.

 If we had a magic wand, we would do two things; add staff and upgrade technology. The Finance department is suffering from a staffing shortage, as are most governmental organizations. This results in risk to the organization in the following ways:

➤ Little, if any, job cross-training;
➤ Retirements are all going to occur at roughly the same time – there is no ability to groom replacements;
➤ No audits of contingent and other funds;
➤ No audit of processes/procedures/policies;
➤ Inability to do projects that would have a positive impact to the City;
➤ Staff stress and burn-out;
➤ Controls, processes, and procedures are not documented;
➤ Inadequate contract management;
➤ Lack of reporting to management may lead to unpleasant surprises; and
➤ Inability to get at needed data.

I hope that we are able to make staff changes in the future to the benefit of the entire organization.

Technology enhancements would greatly improve our efficiencies and controls. Some programs reside on 15-year-old equipment and are written in out-of-date languages. Providing required resources to I/T will not only benefit the Finance Department, but the entire organization.

We have a lot to accomplish in the next five years. Here is a sample of what we'd like to get done next year:

- Prepare for the likely cuts the State will be making to our funding. We will again create and adopt a contingent plan to deal with this revenue shortfall.

- We have to develop a multi-year financial plan to help guide us into our fiscal future. The underlying model was built last year, but it has to be enhanced and put into a presentable form aligned with the City's overall strategic goals.

- As always, we have to control our debt, yet still achieve the Administration's goals to make infrastructure improvements.

- We will be implementing an on-line "paperless" bill delivery system for Comfort Systems. Our customers will be able to choose if they want to receive a paper invoice in the mail, or have it e-delivered.

- Create a one-stop shop in City Hall for citizens to come to for information, to buy licenses & certain permits, make payments, etc. I liken it to the DMV model where you can pay for your tabs, get your passport, or renew your driver's license all at the same location.

- Analyze the current parking ticket system to ensure we are doing it the best way possible at the lowest cost. Then implement a new solution if the analysis points that way.

We look forward to achieving these goals and helping the City and its employees achieve their goals.

II.   WHO ARE WE?

Mission statement

It is the Finance Department's mission to support the City of Duluth's citizens, elected officials and employees by professionally fulfilling its duties of reporting, accounting, buying, billing, assessing, safeguarding and disseminating City financial assets and information in a cost effective manner. We accomplish this by hiring and nurturing professional staff members, implementing and fully utilizing robust reporting and accounting systems, and engaging outside aid when and where it is reasonable and appropriate to do so.

Key elements of our mission are:

- ➢ Safeguard City financial assets through aggressive and sound financial controls, best practice, policies, and procedures;
- ➢ Sustain the City's financial health through dynamic and sensible fiscal policies and practices;
- ➢ Provide excellent customer service to both the citizens and employees of the City;
- ➢ Promote an equitable assessment of all real and personal property subject to the property tax;
- ➢ Ensure that tax based revenues are appropriately spent using sound purchasing principles according to State statutes, City codes, and the National Code of Ethics;
- ➢ Maintain a robust and comprehensive financial system to administer all financial transactions;
- ➢ Promote cost efficiencies within the Finance department and all other City departments;
- ➢ Report financial results timely and accurately and in conformity with GAAP and in compliance with State and Federal laws

- Develop short and long-term financial plans to meet the City's strategic goals and objectives;
- Leverage financial & staff resources to meet ongoing obligations and initiatives;
- Stewardship of City's financial well-being;
- Maintain & promote transparency in all financial transactions;
- Develop & maintain healthy partnerships with service providers; and
- Consider sustainability in all practices and actions.

Values

The over-arching values of the Finance Department are:

- Uncompromised ethical standards: We operate with honesty, integrity, accountability transparency and trust.
- The highest level of customer service: We know it is a privilege to serve the citizens of the City of Duluth.
- Professionalism and equity: We are fair and act in a professional manner in all situations.
- Respect: We treat everyone we encounter with the utmost respect.
- Pride: We take pride in all aspects of our duties.
- Efficiency: We strive for the utmost efficiency in everything we do.
- Innovation: Process/productivity improvements are a way of thinking.
- Civility: We conduct ourselves in a civil and cordial manner.
- Teamwork: We work together to create a product the citizens of Duluth expect.

Business/Program Structure

Organization of the Department

Five divisions comprise the Finance Department. A manager leads each division, supported by at least one other staff member. The Finance Department receives its funding from the General Fund, with the exception of one grant accountant funded by the Community Development division.

Assessors Division – The Assessor's office values and classifies all real estate within the City of Duluth for real estate tax purposes. This is accomplished by appraisal and re-appraisal in conformance with Minnesota State Statute Sections 270 through 273.

Auditors Division – The Auditor's office is responsible for accounting and reporting all financial matters. In addition, the division manages City debt financing, contracts, payroll, account payable, home energy loans, miscellaneous billing, and financial systems administration.

Budget Division – The Budget office is responsible for providing budget, financial and operations analysis for all city departments. The office also performs the staff function relative to budget planning, development, forecasting and maintenance.

Purchasing Division – The purchasing office is responsible for the procurement of all goods and services and the sale of surplus property for the City. In addition, the Purchasing Agent provides purchasing oversight to the Duluth Airport Authority and the Duluth Economic Development Authority.

Treasurer's Division - The City Treasurer is responsible for cash management, investment services, and bank relationships. In addition, this function administers and collects authorized local taxes, files state and federal payroll taxes and tax returns, and provides outstanding assessment debt information. Treasury functions are also performed for the City's authorities.

The following graph shows the 2011 budgeted cost of each division:
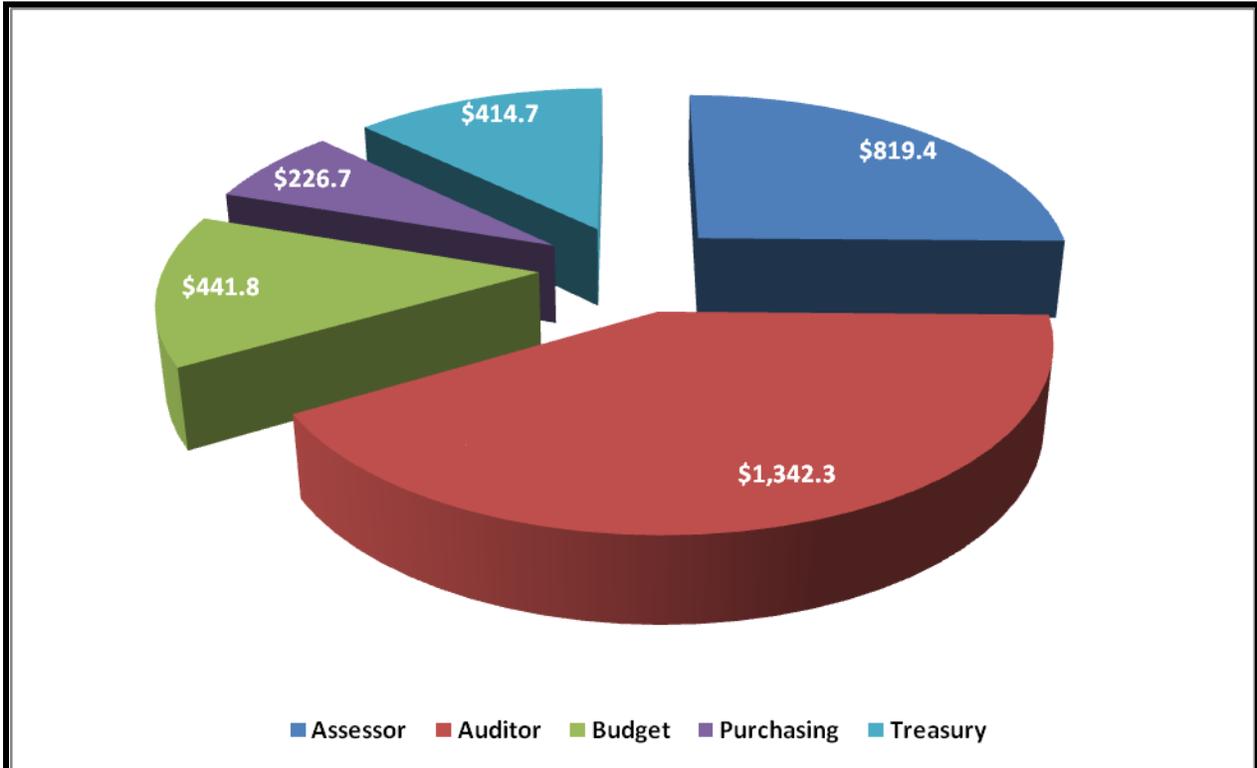
Key Operational Functions

The following graphs show programs by division:

Auditor's Office

Category	Percentage
Financial Reporting	46%
Payroll	8%
Accounts Payable	31%
Other	15%

Budget Office

Category	Percentage
Budget Planning & Development	25%
Budget Forecast & Maintenance	30%
Special Projects & Analysis	35%
Auditor Support	10%

Purchasing Office

Category	Value
Procurement Svcs	75
Vendor Svcs	20
Surplus Property	5

Treasurer's Office

Category	Value
Authorities	5%
Banking	5%
Charitable Gambling	5%
Assessment Billing	15%
Investment Services	15%
Payroll Tax and Benefits	15%
Tourism Taxes	15%
Cash Management	25%

Current Organizational Chart

Significant Trends and Changes

➢ There is a trend in government to reduce debt, which could severely affect the City's ability to repair its streets, update its utilities and replace its equipment.

➢ This same trend is affecting the City's revenues. The State is proposing to reduce Local Government Aid, Market Value Homestead Credit and other State Aids. This will impact our ability to sustain current staff and service levels.

➢ Trend toward demand for on-line interaction with government: taxpayer ability to file forms, pay bills, register things, look up information, etc. (Assessor)

➢ Major population centers like Duluth have both older housing stock and older infrastructure versus suburban cities and townships. Both the housing stock and infrastructure are trending toward an average age of 80+ years. (Assessor)

➢ Priority based budgeting – A methodology to define and fund true priorities. This is in response to the effects of the recent great recession that has created a "new normal" for resources available. Many believe it will be quite some time, if ever, that we will return to the pre-recession funding levels. Reprioritization of current services, balanced against new demands must drive the allocation of resources and the budget process.

➢ Citizen Involvement – As cities deal with the new normal, citizen involvement will play a crucial role in defining priorities.

➢ Multi-media Budget Documents – With the demand from the public for timely, easily accessible information, budget materials must go beyond the basic budget book. Information needs to be available on the City's website in a timely fashion including the proposed budget and property tax levy, performance measurement and benchmark information and current expense and revenue data. It must be in a readable, understandable format, and easily accessible by the general public.

➢ Globalization of Data - How we collect, analyze and distribute data is changing as technology improves, allowing users to access and analyze more and more information. We need to keep up with this trend to serve our internal and external customers in the manner they want to be served.

➢ Joint Service Areas – There is a trend to combine forces with other agencies, to improve efficiencies and reduce overall public cost. This may include combining County and City departments, moving certain functions to the State, internal combinations with authorities or our own departments.

➢ Governmental Reporting – There is a trend by the federal government to require more reporting from businesses and other governments. Two examples of this are 1099 requirements and back-up withholding. This will put additional staff and record keeping burden on the Department, with no resulting benefit.

➤ GAAP & GASB requirements are always changing. We have to keep on top of these changes to ensure we stay in compliance with accounting requirements.

SWOT Analysis

Internal Strengths	Internal Weaknesses
• Staff has good technical and analytical skills • Extensive organizational history • Good relationships with customers • Strong relationships with vendors, suppliers & partners • Leverage St Louis County's equipment (assessor) • Processes and procedures in place to complete routine work and annual projects • Experienced staff in many positions with specialized accounting and grant expertise • Expertise in reporting software applications such as Excel and Crystal for extracting data • Dedicated, service oriented – focused on meeting strict timelines	• Financial management system • No succession plan • No standard operating procedure manuals • No training of other department personnel in budget preparation and management • Lack of cross training in specialized accounting areas • Internal control weaknesses due to small number of staff • Overlap of staff – no clear distinction on where certain functions lie • Aging workforce exposes the office to "brain drain" • Turn-around time is diminished due to staff cuts • City code is not in compliance with State statute (purchasing) • Outstanding accounts receivable • Inability to promote new technology and investigate best practice due to staff time limitations • Unable to meet State requirements

- (assessor)

- Unable to mount a vigorous defense against tax court cases (assessor)

- Missed opportunity to include property improvements made without a permit on the tax rolls (assessor)

External Opportunities	External Threats
- Utilize new Budget Analysts in the budget process as well as for analysis - Become masters in Business Analytics report writer and train others - Utilize new perspectives of Administration and outside resources to reinvigorate and change the budget process and product - Utilization of New World Financial System applications that have the potential for increasing employee productivity - Cooperative purchasing opportunities with St Louis County - Increase purchasing limits to meet those of the State - Sell property/assessment data (assessor & treasurer) - Upgrade payment processing abilities across the City - Create one-stop shop for City	- Continuing problems with financial management system - Legislative actions that dictate reporting requirements, timelines and budget - Budgetary threats that limit resources (staffing) below an optimal level. - New standards for accounting, auditing, grant reporting and financial reporting add a layer of complexity and increase staff workloads. - Potential SEC intervention in governmental debt issuance and financial reporting. - Additional regulatory requirements imposed by state and federal authorities (IRS, etc.) - New grant programs require more staff resources to administer - Buy local pressure conflicts with procurement laws - Interest rate environment – both for

- customers to pay bills, ask questions, etc.

- Educate the public on a variety of financial issues

- Re-write mainframe applications and offer web-based functionality to customers

- Attend civic group meetings to educate public about the property tax system

- Use query capabilities in MCIS tax system to sell data for revenue or provide it free of charge as public relations effort

- Use MCIS Issues file and MIS custom programming to create tracking mechanisms for all required and requested events affecting a parcel

- borrowing and investing

- Reliance in I/T – their inability to meet our needs

- Pressure to do more with less

- Tax court petitions

- Assessor's Office loss of credibility as the number of globally applied value changes to meet the D.O.R. minimum assessment requirement far exceeds the number of times taxpayers actually see assessor staff doing an on-site inspection

- Value inequalities not identified and corrected by routine re-inspections

- Appeals process lost credibility

III. OPERATIONS

Revenues

The Finance Department does not directly create revenues, although it is responsible for monitoring and collecting most non-fee based revenues.

Personnel

The Finance Department currently has 30 team members, plus 1 open position. This group of individuals is hard working, dedicated, professional, and passionate about the service they perform for Duluth's citizens.

The seven management team members have decades of experience and all hold post-secondary degrees. In addition, several have advanced degrees and certifications. Support team members have a variety of backgrounds and educations. Several have college degrees and others have certificates. All have spent years in their current or similar positions.

Training dollars are not as robust as they should be. Many employees are asking for additional computer training, and we provide it as best we can. We would like to see some management training classes offered as well as additional NewWorld training.

Many team members will be retiring at about the same time. The institutional knowledge that will walk out the door is quite staggering. Funding to have enough of an overlap for training by the departing employee has to be a priority.

Job descriptions must be reviewed and re-written. Many are decades old, or are very generic to the broader organization, not specific to the job being done. This will be a priority this year.

Staffing levels over the last four years are shown in the following graph:

Finance Dept Staffing

Year	Staffing
2008	34
2009	32
2010	31
2011	32
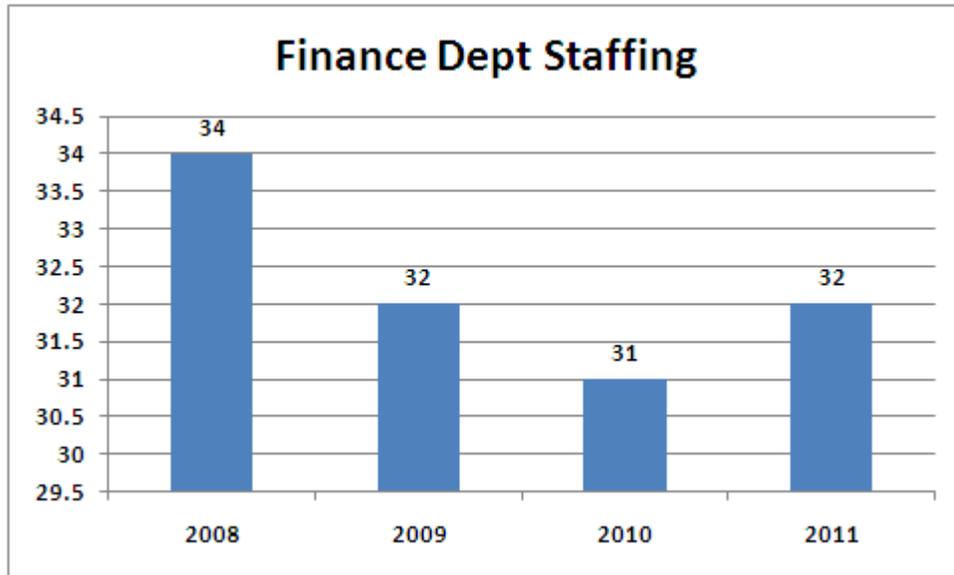
Key Expenses

As shown in the following chart, salaries and benefits comprise 87% of the Finance Department's budget. Collective bargaining agreements dictate salaries and benefits, so there is little control over them other than through staff size and complement.

Other costs consist of software maintenance, fees paid to the State Auditor, fees paid to the Department of Revenue for sales tax collection, travel, dues & subscriptions, outside appraisal fees and other miscellaneous items. These costs are all relatively fixed – very little room for savings.

Finance Cost Break-down

437.9

640.2

2,166.8

■ Salaries ■ Benefits ■ Other

Finance Department Costs

	2008	2009	2010	2011
	2,878.5	2,895.5	3,016.0	3,244.9

Finance Costs % Increase

A line chart titled "Finance Costs % Increase" shows values of 1% in 2009, 4% in 2010, and 8% in 2011, with the y-axis ranging from 0% to 8%.
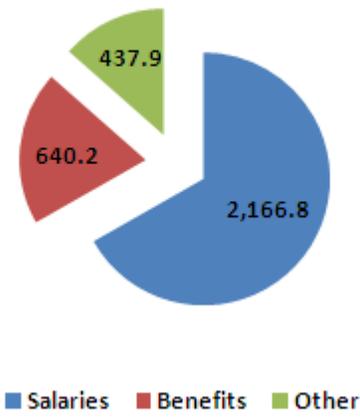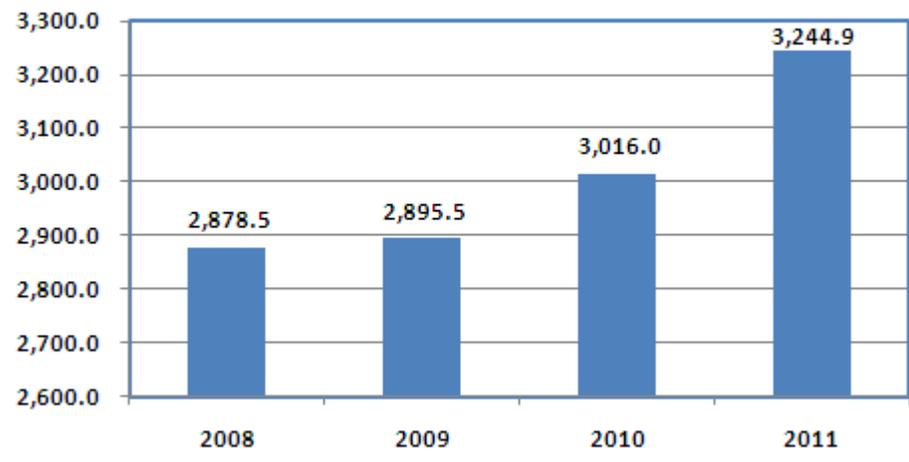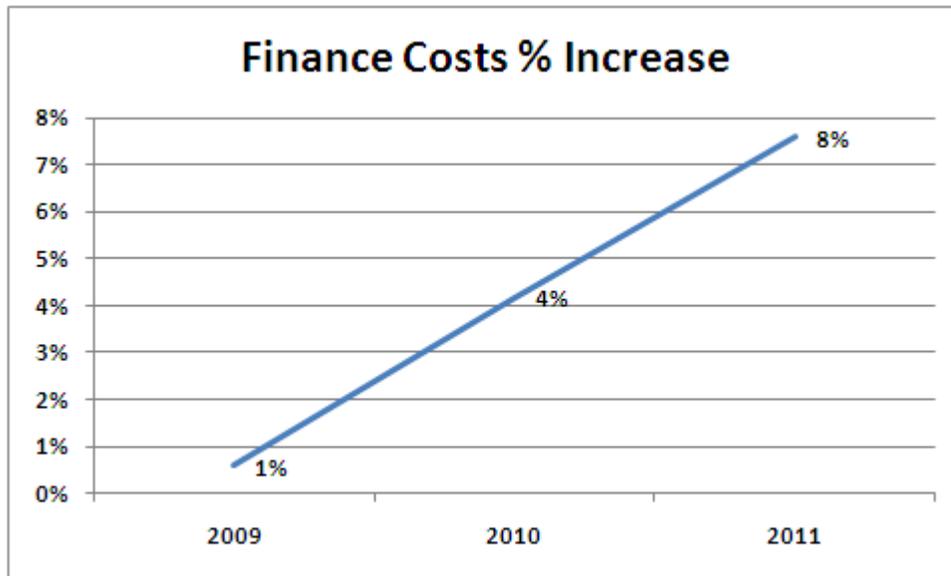
Location & Facility

The Finance Department is located in City Hall. All divisions are on the first floor, although in four separate rooms. We have no responsibility for the office or the physical structure. For continuity, collaboration, and team building, we would like to have the Treasurer, Auditor, and Budget departments co-located. The new space plan will address this issue.

Legal issues

Federal laws, State Statutes, City Code and GAAP dictate most Finance Department activities. At present, we have a few issues on the fire:

➢ Health insurance pool – We are gathering information and putting new processes, bank accounts, etc. in place for the City's new Health insurance pool.

➢ Deferred compensation Current [Licenses, bonding, environmental, special regulations, union, etc.]

➢ Other legal issues to watch:
   o Taxation - in particular the application of sales tax in the electronic commerce world (internet sales).

o　Changes to legal requirements including regulatory rules and regulations.

Key Customers

This department's key customers are not revenue producers; rather they are our citizen's, the Administration, the City Council and other employees.

Key Suppliers

Departmental key suppliers:

➢ **State Auditor** – As a city of the first class, we are required to use the State Auditor's services for our annual audit. In addition, we use them to obtain an opinion on unusual matters. We have no say in how much they charge us, which is a concern considering the State's budget crisis.

➢ **Wells Fargo** – Many of the City's cash management services and bank accounts are held at Wells Fargo. As a major bank "too big to fail", there are no major risks here.

➢ **M&I Bank** – This financial institution handles the City's utility lock box and bill pay functions. There are no current risks or concerns.

➢ **St Louis County** – We use SLC's services for many of our assessor functions. The relationship is sound and works well for both parties.

➢ **NewWorld Systems** – This company owns the ERP system the department uses for budgeting, accounting, financial reporting, billing, payroll and purchasing. In addition, the City's utility and human resources departments use it. This company is small and employee owned. Their resources appear limited and enhancements are slow to occur. While not a fear at this time, if they should go defunct, we would have to find another provider at great expense and chaos. At this point, we are not worried that this is even a possibility; but we are aware of the risk.

- ➢ **I/T Department** – We are a large consumer of internal I/T department services. Our ability to innovate depends on their ability to support our projects and initiatives.

Capital Expenditures

The Finance Department's capital equipment needs are limited to I/T equipment, cars for our appraisers and furniture and fixtures. We rely on the I/T department to replace outdated computers and printers on a rotating life-cycle basis. Used police cars are obtained from the Fleet Department as available. Facilities Maintenance provides for all of our furniture needs.

Inventory

This department has no inventory.

IV.   WHAT DO WE WANT TO ACHIEVE/WHAT DO WE WANT TO BECOME?

Vision

The City of Duluth Finance Department's vision is to be a team of proactive leaders, who identify issues and offer innovative solutions to enable City departments to accomplish their goals and provide quality services to our citizens more effectively and efficiently.

Five-Year Goals & Objectives

Goal	Objective	Tactics	Measurement
Goal # 1			
Move all City accounts receivable functions under Finance.	1. Professionally manage and maintain customer accounts. 2. Ensure accounting knowledge and expertise is applied to decisions and procedures.	1. Analyze current structure. 2. Evaluate management capabilities. 3. Draft plan to merge all A/R functions. 4. Training & orientation of affected staff. 5. Go live.	Whether or not all accounts receivables are under Finance.

Goal # 2			
Transform the financial reporting system into a more robust tool.	1. Create project/priority based budgets and reports. 2. Create dashboard reports for many of our stakeholders. 3. Retrieve data without manual intervention.	1. Work with Finance staff to define the problem & the goal. 2. Recruit I/T to help scope the project. 3. Change chart of accounts and NewWorld account flex field. 4. Communicate change to user community. 5. Create dashboard reports. 6. Budget by priority.	Does the system track and produce the information needed? Can we easily retrieve and analyze information? Have dashboard reports been deployed? Are we budgeting by priority?

Goal # 3			
Create 5-year Financial Plan	To provide a look into the City's financial future to ensure adequate funding and resources for City operations and its financial health.	1. Determine scope. 2. Determine priorities. 3. Make assumptions. 4. Create model. 5. Run the scenarios. 6. Close the gap.	Completion of 5-year plan.
Goal # 4			
Reduce debt by implementing more pay as you go programs	To reduce interest burden and instill a discipline to capital purchases.	1. Determine funding needs. 2. Find funding sources. 3. Build phase-in schedule. 4. Implement.	PAGO programs are implemented

Goal # 5			
Create one place for customers to go for payments of all items.	To make it easy for our customers to make any kind of purchase or payment; to create a controlled environment to collect receipts; and to gain efficiencies throughout the organization.	1. Survey the organization to determine where receipts are collected. 2. Create a matrix of items purchased, systems used, payment types, and volume of customers. 3. Determine staff level needed. 4. Find, design & create an office space to work from. 5. Establish policies, train staff, and equip office.	We go live.

V.   HOW ARE WE GOING TO GET THERE?

Major Issues and Recommended Solutions

Issue 1 – Financial Management System (New World) – while the budget and annual budget systems for the most part meet the needs of the Budget Office and managers throughout the organization, there are areas that need improvement or "work-arounds" for it to become a great system.

Solution: Continue to keep System Administrator informed of issues and address problems with vendor through regional user groups and other sources. Master Business Analytics report writer and train others.

Issue 2 – The Budget Office does not have a written standard operating procedure manual or a succession plan.

Solution: Operating manual and succession plan must be completed this year. Also, continue to train and utilize existing staff in other departments in budget development and analysis methods.

Issue 3 – Procurement thresholds are too low.

Solution: Change City ordinance to increase thresholds.

Issue 4 – Purchasing office staff levels are too low.

Solution: Hire part-time buyer or streamline procurement process and procedure. The latter suggestion will involve I/T support which is at a premium and unlikely to occur.

Issue 5 – Treasury office systems are fractured and outdated.

Solution: A comprehensive review and subsequent upgrade of systems is necessary. That process is underway as we move applications off the mainframe system. In addition, we will be automating manual payment processes.

Issue 6 – Assessor's staff levels are too low. This causes inequities, excessive workloads and we are not meeting State mandated quotas.

Solution: Hire 1-2 more appraisers. The problem is a budgetary one, which will unlikely change in the future. There is no process solution, it is strictly a manpower issue.

Issue 7 – Dependency on technology.

Solution: Keep software and hardware current. Partner with I/T so they are aware of our needs and we keep moving forward together.

Issue 8 – Overall staffing levels. Without the resources to keep staff levels near ideal, it is impossible to cross-train, make succession plans, and meet all current obligations. The quality of work is suffering.

Solution: Process improvements are critical. Almost all processes involve I/T resources, which are finite. The City must provide more funding to I/T, so we are able to meet our goals, reduce costs and create the work product demanded.

VI.   WHAT RESOURCES ARE WE GOING TO USE?

Finance Plan

The only additional financing we need to accomplish our goals, is funding to add needed staff.

City of Duluth
Finance Department
2011-2015 Business Plan
Budget to Actual Financial Statement

	2009 Actual	2010 Actual	2011 Budget	2012 Projection	2013 Projection	2014 Projection	2015 Projection
Revenues							
Assessment related	27	10	10	10	10	10	10
Sales tax	10,775	11,315	11,000	11,500	11,500	11,500	11,500
Investment earnings	1,943	840	465	300	300	300	300
Other (treasury)	218	189	192	200	200	200	200
Property tax	6,093	11,265	11,470	10,900	10,600	11,000	11,500
LGA	29,201	27,981	29,397	27,200	22,000	22,000	22,000
PILOT	4,091	3,491	3,493	3,500	3,500	3,500	3,500
Parking	1,179	1,383	1,452	1,500	1,500	1,500	1,500
Other (Auditor)	8,485	7,405	6,751	6,800	6,800	6,800	6,800
Total Revenues	62,011	63,878	64,230	61,910	56,410	56,810	57,310
Expenditures							
Salaries	2,002	2,036	2,123	2,478	2,478	2,478	2,478
Overtime	24	10	18	20	20	20	20
Temps	-	-	27	-	-	-	-
Benefits	589	571	640	749	749	749	749
Other	281	399	438	450	450	450	450
Total Expenditures	2,896	3,016	3,245	3,697	3,697	3,697	3,697
Net Expenditures	59,116	60,862	60,985	58,212	52,712	53,112	53,612
Staffing Levels (FTE's)	32	31	32	37	37	37	37

Workforce Plan

Staffing plans/needs include:

➢ The department currently has 1 open position. This is a new position in the organization: Contract Management and Compliance Administrator.

➢ In addition, we are hiring a part-time accounts receivable collector. We used a 67-day employee and then a contractor to perform this work. We need someone focused on this important task to ensure that the City's receivables are collected on a timely basis.

➢ We budgeted for an additional payroll person, but with looming State budget cuts, we chose not to fill it. This position is critical to the stability of the Payroll function and to ensure that we do not again find ourselves in a position without a payroll employee.

➢ We see a need to add a commercial appraiser. One appraiser cannot handle the workload. Not doing these appraisals creates a huge inequity among taxpayers and makes us look foolish as valuations are challenged. While this will not generate more property taxes per se, it will ensure that residential and commercial property owners pay their fair share, thus relieving some of the burden from the homeowner.

➢ An additional analyst in the budget area is desperately needed. They are unable to accomplish their jobs on a timely basis, and much work is left undone.

➢ Last, we have one Purchasing Agent with one clerical support person. As a seasoned veteran, the current PA gets the job done (admirably!), but there is a high risk of burnout and exposure. We need to add a buyer to help with the workload, and for succession planning.

Technology Plan

The following technology items are needed within the next five years:

Charitable Gambling & Tourism Tax System – these must be removed from the old mainframe. We need on-line capability for customers to obtain forms, file their returns and makes payments.

Home Energy Loans & Special Assessments – As above, these applications must be removed from the mainframe in the very near future. They also should be designed to offer internet access to customers.

Focused attention on NewWorld Systems, to upgrade its usability, train users, and control the process of upgrades and implementations.

Equipment Plan

Additional computers for new hires listed above.

Production printers for accounts payable and payroll.

Space Plan

A reconfiguration of City Hall is underway due to the re-location of the Duluth Police Department to a new facility. The City Architect is designing space to meet our current and future anticipated needs. Space for additional staff mentioned above was created in the space design, as well as combining Audit, Budget and Treasury functions under one roof.

VII.   Management and Organization

Management Team

The management team is comprised of seven professionals, who are extremely knowledgeable and professional. Most have been with the organization for decades, bringing a breadth and depth of knowledge not found in most organizations.

Management longevity is a double-edged sword. It is an asset today, but it will be devastating when that institutional knowledge walks out the door. All managers will retire within a few years of each other, leaving a gaping hole in the Department and the City as a whole. Their knowledge cannot be captured without a solid succession plan and the funding to execute it. Unfortunately, unstable funding means the City's resources are limited. Those resources are directed toward current, rather than future needs. We will have to find a cost neutral solution to this problem.

Succession Plan

At this time, there are no succession plans for this department. We have an aging workforce with many scheduled to leave at approximately the same time. There is no budget to bring trainees on board before the retiring employee leaves.

Outside Professional and Advisory Support

- The Government Finance Officers Association

- The League of Minnesota Cities

- Smith Barney – financial advisors

- The State Auditor

- Public Financial Management – bond advisors

- Fryberger, Buchanan, Frederick, et al – bond advisors

- The Property Tax Division of the Minnesota Department of Revenue

- International City Managers Association – ICMA

Appendices

- Budget to Actual Statement with variances

- Performance Measurements & Outcomes

BUSINESS PLAN –

BUSINESS, COMMUNITY AND WORKFORCE DEVELOPMENT

BUSINESS AND COMMUNITY DEVELOPMENT

Business Plan

City of Duluth

[Business Development]

2011-2012 Business Plan

Prepared by: [Mark McShane, Property and Contract Manager]

Submitted: [March 31, 2011]

I.   Executive Summary

For decades, the City of Duluth has had the image of being anti-development. In addition, understanding and navigating through the systems and processes of City Government - regulations, requirements, permitting, zoning, etc., has been viewed as cumbersome and confusing, to say the least. Improvement is needed, both interacting and communicating with customers as well as with internal departments. The City can do a better job in how it does business and with encouraging and facilitating development in Duluth.

Business Development (BD) is evolving as part of the concept of a One Stop Shopping initiative. The thought is to have BD as the hub of the wheel linked to and interacting with a number of other City Divisions. BD would provide a variety of services and customer support in the areas of Business Development, Special Projects, City Real Estate and Land Use, and Public and Private Development. Again, this would be done in cooperation with and support of the other divisions with customer service in mind and at the forefront.

Recent meetings have been held with the internal stakeholders that would be involved with both BD and One Stop Shop initiatives. Those who participated included representatives from Fire/Building Safety, Architect, Engineering, Planning, and Property Management. The Mayor and CAO also participated in the initial discussions.

As a result of the discussions, a recommendation has been submitted to the Administration to conduct a survey and/or host focus groups with customers who have had experience working with the City. Customers identified include; developers, architects, engineers, businesses, economic development organizations, Chamber, GDC, attorneys, building contractors, banking representatives, property managers, and the hospitality industry. The process would be similar to and build off the analysis that was part of the reorganization of the Building Safety Division. It is critical to have a better understanding of the issues and needs of customers and stakeholders, if improvements in how we do business are to occur.

In summary, the public would like to see more efficiency, simplicity, and perhaps a little more flexibility in City processes. A 2008 headline in the Duluth News Tribune read "Duluth can grab a better way of doing business." We agree.

II. WHO ARE WE?

Mission statement

The Mission of the Business Development Department is to support economic vitality in the City of Duluth through encouraging business growth and job creation, supporting tax base growth, and investing in infrastructure and redevelopment.

In order to accomplish this Mission, we:

- Encourage business growth and job creation by facilitating access to City services and investing in private development.

- Support tax base growth and effective land use by facilitating private access to publicly-owned land and assembling an inventory of development sites to meet future growth needs.

- Invest in infrastructure development and the redevelopment of challenged sites by attracting appropriate State and Federal investment to our community.

- Manage City and Economic Development Authority assets, land and buildings.

- Advocate for progressive development policies at Local, State and Federal levels.

Values

BD values **professionalism**, especially as it relates to honesty, integrity, stewardship and confidentiality. These values are critical in order to maintain the trust of our customers.

Positive attitudes, open communications and teamwork are required for us to deliver superior customer service and achieve our priorities with limited resources.

Often, status quo and bureaucracy create challenges in delivering superior service for our customers and us. It is important to have **flexibility and resourcefulness** to overcome some of these challenges and obstacles encountered. **Creative solutions** are frequently required to find a better way of doing business.

Department History

At a meeting on April 1, 2009, Mayor Ness presented the idea of a "One Stop Shop," a place in City Hall where customers come to get business done and where customer service is job one. He emphasized that City Hall needs to do a better job of facilitating and encouraging development in the City of Duluth and the One Stop Shop would integrate staff from the Engineering, Building Safety, Planning and the new "Business Services" division to work more closely together in a cooperative and streamlined manner. To facilitate this, the Planning and Business Services offices would be relocated to the 2nd floor of City Hall alongside Building Safety and Engineering in the hopes that proximity would assist in improving efficiency and creating a synergy among all involved. The goal was to have the One Stop Shop ready to go and in place by September of 2009. He asked us to meet as a group to further refine the vision of the One Stop Shop and determine the next steps.

Following two meetings of the proposed Business Services group, the larger consortium met. This group had many questions regarding the One Stop Shop concept, such as how it would work, what impact it would have on existing permitting processes, what would need to happen to make it work, what is the purpose and function of the Business Services/Resources division and how would that division interact with the other three divisions. While some of these questions remained unanswered, time was of the essence.

There was still some uncertainty about specifics, but the consensus was that a One Stop Shop made sense and could go a long way in changing the perception that the City of Duluth is unfriendly to business. We acknowledged that it is not always clear to the public what steps must be taken to receive the necessary permits and approvals to get a project completed. The public expects efficiency, simplicity and flexibility and they are not currently getting that. So knowing that and with the belief that we can do better, staff identified a number of "variables" that needed to be addressed in order for the One Stop Shop to be successful.

Necessary Components of the One Stop Shop System:

- Improved process and communication, internally and externally.
- Integrated Software Technology to replace the "buck slip" - this way anyone with computer access in any of the One Stop Shop divisions can log in, comment on and track a project.
- Web portal to a virtual One Stop Shop.
- A first point of contact, a phone number to call to get information. Someone who can provide answers to commonly asked questions.

- Developer's manual that defines the process (flowcharts, contact info, etc.).
- Staff Training on the importance of providing good customer service, the permitting and application processes and use of technology.
- Improvements to the Development Review Committee - Developers should be required to provide staff with information beforehand so we are prepared to answer questions. We need to provide developers with consistent information and sign-offs of pre-design work to move projects forward.
- Hours of operation and position evaluation - do the hours need to be more flexible? Do we have the right staff, and enough staff, to provide an appropriate level of service?
- Customer Service Desk - located on the first floor in the Hall of Mayors that would be a resource, not only for the One Stop Shop, but for general questions customers have when they come to City Hall. An intake on the first floor resolves the question of where on the second floor you would put a reception desk since customers can enter that floor from a number of locations via different stairwells and/or the elevators.
- Branding, marketing and public education once the "system" is defined and in-place.

As a first step, the group felt it was important that the City conduct a survey or host focus groups with customers who have gone through the process, building off the analysis that was part of the reorganization of the Building Safety division. Customers identified include; developers, architects, engineers, businesses, economic development organizations (Chamber, GDC, etc.), attorneys, building contractors, banking representatives, property managers and the hospitality industry.

This did not occur. The decision was made to proceed with the transferring of the Property Manager and Real Property Supervisor to the new Business Development group in conjunction with the hiring of the Director of Business and Community Development. The Business Resources Manager position was also incorporated into this unit.

Organization of the Division

The Division is led by the Director of Business and Community Development, who also serves as the Executive Director of DEDA. The structure of the Division is shown on the attached Organizational Chart. Operationally, there are four general areas of responsibility. Further detail is provided under Key Operational Functions below.

Key Operational Functions

Primary services provided include:

1. Business Customer Care
   - First point of contact for business and development related inquiries
   - Timely responses and quality follow-up
   - Assist and guide customers through internal city processes
   - Coordinate interface and connection with key outside agencies and partners

2. Promote and Facilitate Infrastructure Development & Challenged Site Redevelopment for:
   - Industrial, commercial, and housing sector development
   - Grant writing
   - Grant administration
   - Project management

3. Provide a Leadership and Facilitation Framework for:
   - Land Use Issues
   - Strategic planning
   - Master planning
   - Peak coordination of public resources
   - Maximization of public/private benefit
   - Coordination, as necessary, for addressing internal and external issues
   - Manage special projects
   - Assemblage of property for future development

4. Asset Management
   - Buildings and Land – MRO, Tech Village, Temple and NorShor Theatre, Bayfront
   - Parking lots – NW Iron, Lincoln, Marine Museum, Lake City, Phoenix, Steam Plant
   - Negotiate and administer leases, licenses, and agreements

5. Public Policy
   - Support progressive public policies at Local, State and Federal levels

Organizational Chart

Business Development

```
              ┌──────────┐
              │ Director │
              └────┬─────┘
                   │
                   ├──────────┐
                   │   ┌──────────────┐
                   │   │ Information  │
                   │   │ Technician   │
                   │   └──────────────┘
         ┌─────────┴────────┐
   ┌─────────────┐   ┌─────────────┐
   │ Property and│   │  Business   │
   │  Contract   │   │  Resources  │
   │  Manager    │   │  Manager    │
   └──────┬──────┘   └─────────────┘
   ┌─────────────┐
   │Real Property│
   │ Supervisor  │
   └─────────────┘
```
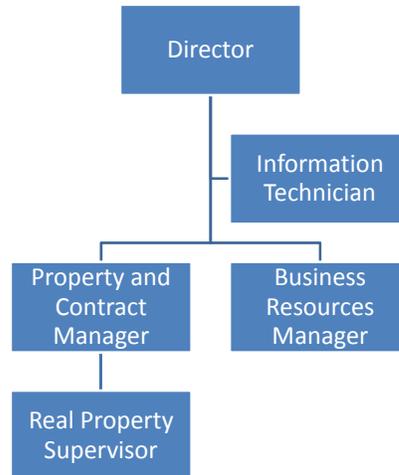
Significant Trends and Changes

The City, BD, and customers have experienced increased financial constraints in areas such as:

- Departmental resources

- Access to State and Federal Grant dollars

- Accessing capital for growth

There is a greater dependence on technology and the internet. BD needs to:

- Have an up-to-date and user friendly website

- Have forms available in a digital format and downloadable (password protected)

- Consider using social media and decide if it could help achieve departmental goals

SWOT Analysis

Internal Strengths	Internal Weaknesses
• Knowledgeable, experienced, and competent staff with good overall work ethics and attitude • Strong land research capability • Strong grant writing capability • Excellent flexibility and multi-tasking performance in many operational areas • Excellent facilitation and coordination skills • Unique knowledge of most City owned properties and park land • Strong content contributor to a variety of leases and agreements • Extensive network of contacts in business, development, and community areas of the City • Experience and familiarity with most operational areas of the City	• Aging workforce • Inadequate resources to keep up with providing timely customer services • Need for technology enhancements • Opportunities for education and training - customer service, technology, etc • No performance measurements in place
External Opportunities	**External Threats**
• Collaborations with other entities and individuals • Implementation of new technology initiatives • Collaborate with other departments and divisions to better utilize our resources and systems • Individual and assemblage sales of land enabling private ownership and development, resulting in tax exempt properties being returned to the tax roles, and increasing the City's tax base • Develop new marketing tools, such as occurred with the City website as part of the process for selling the Park Point lots	• Lack of buy-in and resistance to change • No manual for in-house or customers use • Need for technology enhancements and on-line One Stop Shopping and info/data base • Difficulty in overcoming the image and perception people have of the City • Overprotection of some property via the Comprehensive Plan

III.   OPERATIONS

Revenues

Revenues are generated annually from fees charged to the 1200 Fund for services provided.

Personnel

Business Development, in addition to the Director of Business and Community Development, has six managers and support staff;

Business Development Manager

Property and Contract Manager

Real Property Manager

Public Information Coordinator

Financial Analyst

Information Technician

Key Expenses

Ninety-five percent of the budget is for personnel. The remaining five percent is for general operations and supplies.

Location & Facility

Business Development is located on the 4th floor of City Hall in close proximity to the Mayor and CAO. Recently, the Property and Contract Manager and Real Property Manager were relocated into the office suite with the Director and Business Development Manager. Bringing staff into one central area has improved efficiency by allowing immediate access to each other. The office suite is in the process of upgrade to meet the needs of the department. Staff frequently meet with outside customers and groups requiring adequate in-office meeting space and conference room space.

Key Customers

Business Owners	Entrepreneurs
Developers	DEDA
State and Federal Agencies	Community Groups
School District	Community Stakeholders
Architects/Engineers	Private Economic Development Interests
Institutions	Internal Departments
Non-profits	1200 Fund

IV.   WHAT DO WE WANT TO ACHIEVE/WHAT DO WE WANT TO BECOME?

Vision

Business Resources seeks to support business growth and facilitate access to City resources and services. This includes managing development-focused assets, making City services and programs available, and acting as a conduit to access outside financial resources and support. It also includes guiding customers through City processes surrounding zoning, permitting and land use; planning future development in the City; and advocating for progressive development policy. The variety of primary services provided, coupled with the collaborative commitment of other key City functions, will serve as the foundational basis for citizens and the business community to consider Duluth a business friendly place to grow.

Five-Year Goals & Objectives

Goal	Outcome and Results	Output	Measurement
Promote and facilitate development and redevelopment within the industrial, commercial and housing sectors	Leverage for other public and private funding sources Proactive preparation for future development Decrease blighted or eyesore properties Increase developable	Apply for no less than 5 grants. No less than 3 funded 20 acres identified	Identify appropriate grant funding sources. Apply for 5 grants annually, and receive funding for at least 3 Annually identify 20 acres of potentially developable land for environmental assessment and

	property base Increase tax base Reduce City resources required for ongoing maintenance Job growth	10 companies assisted 10 properties identified and reviewed. No less than one sale closed	remediation Indentify and assist up to 10 companies annually with expansion activities Annually identify and internally review 10 City or DEDA owned properties for potential sale, transfer or preservation. Lead sales process
Provide leadership and facilitation framework for strategic and master planning guidance with goal of ensuring peak coordination of public resources for the maximization of public/private benefit	Proactive preparation for future development Increase developable property base Identification of small parcels and large land tracts for future development use, sale or preservation	5 strategic/master plans Final disposition and report by 12/31/11	Facilitate the preparation of no less that 5 strategic/master plans annually Facilitate the finalization of Mayor's Task Force on Disposition of City Land with final disposition determined and report prepared by 12/31/11
Provide quality and timely Customer Service	Increased customer satisfaction Increased staff efficiency	24 hour initial response (i.e. one business day)	Respond to all internal and external inquiries within 24 hours and/or refer to the appropriate department or person. Additional follow up within one week if additional research or information is required

V.   HOW ARE WE GOING TO GET THERE?

Major Issues and Recommended Solutions

Issue 1 – Define the operational process, to include leadership, roles and responsibilities.

Solution: Develop and formalize this through a strategy process series of meetings.

Issue 2 – Timely access, availability, and cooperative collaboration with internal customers and work units.

Solution: Continue the process to define more narrowly the scope of responsibilities to better serve and thereby provide more available, focused, and timely services.

Issue 3 – No clear pathway for land developers and other private projects to navigate through the City and commissions review, approval, and permitting process.

Solution: Solicit input internally/externally via a consultant and/or focus groups as to the issues and desired outcome of BRD. Create and implement a specialized division or work team charged with the specific task of aiding and assisting developments and projects from idea initiation through project completion.

VI.   WHAT RESOURCES ARE WE GOING TO USE?

Finance Plan

See Attachment A in the Appendix – Business Development Budget

Workforce Plan

Establish ability to utilize, as needed, staff from other City departments, divisions or disciplines considered critical to land development or large project implementation. Use "Task Force" format - convene at project initiation and disband at project conclusion.

Technology Plan

Support the development of an integrated technology package and virtual WEB.

Upgrade of existing desktop computer systems and peripherals to better interface with Citywide and internet systems. Establish and implement electronic filing system for leases, agreements, and contracts. Training, as needed, in access to and utilization of Citywide GIS system.

Equipment Plan

Continue 5-year lease for copy machine, scanner, and fax unit with replacement of machine and lease renewal after 5-year period. This will help insure access to the latest available technology available and minimize costly repairs and disposal costs for units kept beyond their usable life.

Space Plan

Create separate, dedicated operational space for the division. The space should include large enough offices for 4 managers to have tables to accommodate meetings for at least 4 individuals, a small conference room that can accommodate a minimum of 8, and access to a large conference room. Two additional offices are needed for staff and a work station for an intern or temporary employee. A work station is also needed for the reception area staff which can be a separate space or part of a shared reception area. Additional space should include a room for a copy center with storage for supplies and miscellaneous items.

VII.   Management and Organization

Management Team

The Management Team has extensive experience in business and economic development, building and land management, and related operations that impact these areas. More specifically, the cumulative years and certifications are as follows:

- 60 years experience in Public and Private Business Development

- 50 years in building and land management

- Brian Hanson, Economic Development Finance Professional

- Heidi Timm-Bijold, Economic Development Finance Professional

- Mark McShane, Certified Property Manager

This experience includes both the private and public sectors. It enables the team to understand the customer needs and expectations resulting in the ability to provide quality service.

Succession Plan

Two key personnel, the Property and Contract Manager and the Real Property Supervisor, are within 3 years of retirement. One position, Financial Analyst, remains vacant. These positions comprise 50% of the Business Development Division. It is critical that the division is evaluated to determine the desired skill sets needed as this newly formed unit looks to the future.

The hiring of a Financial Analyst needs to be reconsidered. A different position and title may be more appropriate and advantageous when factoring in the timing of retirements and the need to transition in a new employee. Now is the time to determine what type of position is needed and to fill the vacant position. This would allow time for the learning curve, the institutional knowledge to be passed on, and for the new employee to become a productive member of the team.

Outside Professional and Advisory Support
- Commissions/Boards - HPC

- Outside agencies and partners – APEX, MP, ARDC, Northspan Group, DEED, Northland Connection, Iron Range Resources, UMD Center for Economic Development, Greenstone Group, Northeast Entrepreneur Fund

- Environmental – EPA, MPCA, Consultants and Environmental Testing Firms

- Appraisers

- Architects and Engineers

- Bankers

- Consultants

- Other – UMD

VIII. Appendices

Attachment A - Business Development Budget

Attachment B - Business and Community Development Performance Measures

Business Plan

City of Duluth

Business & Community Development Department

Community Development Division

2011-2012 Business Plan

Prepared by: Keith Hamre, Community Development Manager

Submitted: March 31, 2011

I.   Executive Summary

Division Overview

The Community Development Division business plan is a vision looking out five years to determine strategic decisions for aligning the staff and resources to meet both community and city needs. The division needs to be nimble and responsive yet, still report all of the performance information while engaging the community to participate in the planning and investment process for federal funding. This plan provides some critical decision points and a direction to meet the anticipated changes at both the federal and local level.

Mission Statement

Duluth Community Development Program Mission is to invest in community programs that help low to moderate income people by addressing **basic needs**, providing **affordable housing** and increasing economic **self-sufficiency**

Primary Business Lines

- o Affordable Housing Development – the division works with community partners to maximize state and federal resources to create and preserve affordable housing, both home ownership and rental, within the community.
- o Economic Self-Sufficiency – with a primary partnership with Workforce Development and the Local Initiative Support Corporation in Duluth At Work, economic self-sufficiency is a major component of the City's prosperity agenda.
- o Addressing Basic Needs – through the support of efforts to meet the most basic of needs for low income people in the community with soup kitchens, food shelves and free health care. Also, a major component is heating assistance and help with clothes for people to access employment.
- o Neighborhood Revitalization – vibrant neighborhoods is critical to Duluth's quality of life. The Older Core neighborhoods have plans for creating "Places of Choice" for people to live and work.
- o Planning to Reduce Chronic Homelessness – working collaboratively with St. Louis County the goal is to reduce chronic homelessness in ten years. By providing a system for people to be rapidly re-housed and begin to reestablish their lives and develop goals for economic self-sufficiency.

To provide these business lines the Community Development division administers federal funds from the Department of Housing & Urban Development (HUD), for the purpose of serving low to

moderate income persons (people having incomes below 80% of the City's median income) in the City of Duluth. The administration of these funds requires compliance with federal regulations including the development of a Five-Year Consolidated Plan, which outlines the City's strategic goals and investment strategies for the use of these funds. Also, the federal government requires a comprehensive Citizen Participation process to determine the use of the funds. Other regulatory compliance includes: National Environmental Policy Act, Section 504 (Persons with disabilities), Section 3 (Hiring of Low-Moderate Persons), and Davis-Bacon Wage Compliance just to name the major components.

Revenues

- o CDBG (Community Development Block Grants) – these funds are used for a variety of purposes to create vibrant urban communities. The programs funded with this source range from affordable housing rehabilitation (including lead paint abatement) and weatherization, economic development, public facilities (ie. Streets, sidewalks and neighborhood centers) to public services (ie. Soup kitchens, health clinics, services for persons who are homeless).
- o HOME (Home Investment Partnerships) – this funding source is for the development of new affordable housing units (both ownership and rental), and homeowner/tenant assistance (which could include rental assistance or downpayment assistance).
- o ESGP (Emergency Shelter Grant Program) – is for the operation and maintenance of transitional or shelter housing facilities for persons who are homeless or may become homeless.
- o LIHTC (Low Income Housing Tax Credit) Program – this resource is a tax credit program which the City sub allocates to development projects for affordable housing units. This program is administered in cooperation with the Minnesota Housing Finance Agency.
- o The division has also been charged with the administration of the following local resources to assist with affordable housing development and neighborhood revitalization:
- o Housing Investment Fund – is Community Investment Trust dollars targeted to fill the construction funding gap of housing developments within the community.
- o Duluth Economic Development Authority Tax Increment Financing – this resource is utilized for acquisition and clearing of property for affordable housing development under State of Minnesota guidelines.
- o Tax Abatement – is a resource for housing development similar to Tax Increment Financing, but is authorized by each individual local unit of government.

Key Challenges for 2011

- o Reduction in funding for community programs by the federal government and partners, primarily foundations will have a large impact upon services for low-moderate income people in the city. This funding reduction will impact programs and lead to tough choices on priorities.

- Transparency in reporting outcomes for the Stimulus funds has required more resources to provide the data and reports for use by Federal agencies. This trend is continuing with all federal funding sources.

Major Initiatives for 2011

- Work to create a "Housing Connection Zone" that will align resources to be more efficient for the customer and maximize funding.
- Develop a shared vision with At-Home planning effort with our Core neighborhoods to maximize City efforts with revitalization efforts.
- Continue to engage in the City's prosperity agenda to reduce the Housing Burden of Home owners and renters to keep more resources in the local household budgets.

II.   WHO ARE WE?

Mission statement

Duluth Community Development Program Mission is to invest in community programs that help low to moderate income people by addressing **basic needs**, providing **affordable housing** and increasing economic **self-sufficiency**

Values

The Community Development division works to further the City's Prosperity Agenda that is the overall vision for improvement of the community to see people and businesses succeed in Duluth. The Division's role in this agenda is to implement strategies and programs that provide opportunities for Low to Moderate Income residents of the Duluth to increase incomes preserve quality affordable housing and provide economic opportunities. Staff works to ensure that federal regulations are met for utilizing the funding from the Department of Housing & Urban Development (HUD) to meet the needs of low-moderate Citizens and neighborhoods for creating a vibrant urban community. The program allows flexibility at the local level while meeting certain national objectives and engaging in a strong citizen participation process. The tools and resources used in this division are outlined within our primary business lines. This list is a current summary of resources, but the division is always researching other tools that may assist in furthering the Prosperity agenda and the Core values of the Community Development Program.

Business/Program Structure

Primary Business Lines

Affordable Housing Development – the division works with community partners to maximize state and federal resources to create and preserve affordable housing, both home ownership and rental, within the community. By investing in programs that complete rehabilitation and weatherization of homeowner and rental housing units to preserve affordability for persons with low-moderate incomes.

Economic Self-Sufficiency – with a primary partnership with Workforce Development and the Local Initiative Support Corporation in Duluth At Work, economic self-sufficiency is a major component of the City's prosperity agenda. Working with low-moderate

income people to obtain training and skill development that meets the employers customized needs.

Addressing Basic Needs – through the support of efforts to meet the most basic of needs for low income people in the community with soup kitchens, food shelves and free health care. Also, a major component is heating assistance and help with clothes for people to access employment.

Neighborhood Revitalization – vibrant neighborhoods are critical to Duluth's quality of life. The Older Core neighborhoods have plans for creating "Places of Choice" for people to live and work.

Planning to Reduce Chronic Homelessness – working collaboratively with St. Louis County the goal is to reduce chronic homelessness in ten years. By providing a system for people to be rapidly re-housed and begin to reestablish their lives and develop goals for economic self-sufficiency.

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These federal resources include:

CDBG (Community Development Block Grants) – these funds are used for a variety of purposes to create vibrant urban communities. The programs funded with this source range from affordable housing rehabilitation (including lead paint abatement) and weatherization, economic development, public facilities (ie. Streets, sidewalks and neighborhood centers) to public services (ie. Soup kitchens, health clinics, services for persons who are homeless).

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Tax Abatement – is a resource for housing development similar to Tax Increment Financing, but is authorized by each individual local unit of government.

Department history

The City has been a recipient of Community Development Block Grant funds for 34 years and prior to that a grantee of Model Cities funding from the Department of Housing and Urban Development.   The Community Development Division has administered and managed that funding through a vibrant partnership with citizens and neighborhoods during that time.

Organization of the Department

The amount of administrative funds varies in percentage with each program; CDBG 20%, HOME 10%, ESGP 5%. This translates into approximately $690,000 for funding of staff and services to ensure compliance with federal regulations. This list does not include the recent American Recovery and Reinvestment Act funds (or Stimulus dollars) which are an additional $3.4 million in one-time funding targeted for employment and economic recovery activities.

Key Operational Functions

The Community Development division oversees a public participation process for the purpose of investing federal resources to meet locally developed priority projects and programs. This activity involves contract/project monitoring and administration to ensure compliance with federal regulations.

Organizational Chart

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                    ┌─────────────────┐
                    │   Community      │
                    │  Development     │
                    │    Manager       │
                    └────────┬─────────┘
          ┌──────────────────┼──────────────────┐
    ┌───────────┐            │            ┌───────────┐
    │  Senior   │            │            │  Senior   │
    │  Planner  │            │            │  Planner  │
    └─────┬─────┘            │            └─────┬─────┘
     ┌────┴────┐             │             ┌────┴─────┐
┌─────────┐ ┌─────────┐ ┌─────────┐ ┌───────────┐
│Planner  │ │Planner  │ │Planner  │ │Planner II/I│
│   II    │ │   II    │ │   II    │ │           │
└─────────┘ └─────────┘ └─────────┘ └───────────┘
                    ┌──────────────────────┐
                    │Information Technician │
                    └──────────────────────┘
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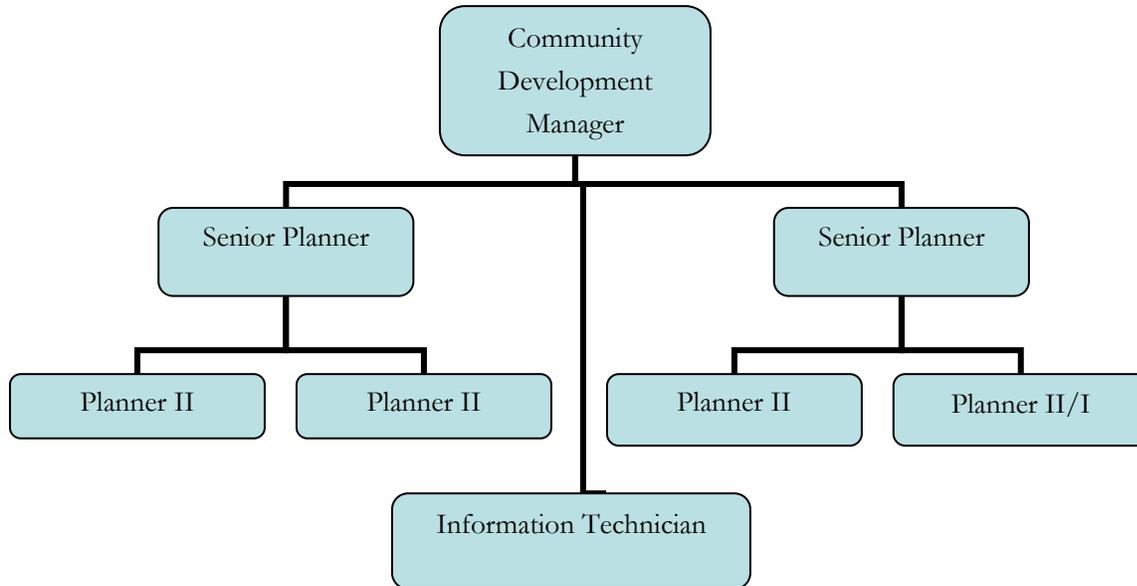
Significant Trends and Changes

The following trends are some of the external factors that influence the direction of the Community Development Division:

- The subject of funding fluctuations from federal/state sources is a constant issue. The federal resources have been limited in the past six years with a 20% reduction in funds. Conversely, staff has worked through a number of funding cycles and understands resource dynamics. A new twist on this issue is the Federal "Stimulus Funds", which have spending requirements that will put a demand upon a reduced structure, both internally and externally.

- Reduction of funding resources for partners within the community will affect service delivery and effectiveness of programs. Primarily reductions in State and Foundation funding will dramatically impact agencies and programs, thus putting greater demand on federal resources or cause the need for strategic planning to overcome some of those issues.

- Citizen groups focus on Community Centers when City is lacking resources to maintain viable sites. Also, the City does not maintain the sites physical

improvements that receive grant investments, so many recreational sites are continually improved and then fall in to disrepair. Over the past 15-20 years, the Community Development program has repaired/reconstructed a number of parks and community centers with the similar results, that instead of a investment lasting 20-30 years, its only lasting for 10-15 years.

Internal factors also provide significant challenges for the division:

- Lack of a clear economic development strategy hinders efforts to partner with community members and be seen as a leader, or to determine the most effective investment of scarce resources. With a clear strategy, the Community Development division could collaborate with outside agencies to implement a truly comprehensive "prosperity agenda" for the city. This strategy is currently under development with the Duluth Economic Development Authority.

- Need to develop new 5-Year Consolidated Plan for Community Development Program provides opportunities to implement prosperity agenda and realign community goals and priorities to match good investments. This task has been completed for 2010 to 2014, but the goals are reviewed annually with the Action Plan for each year's investments.

- More effective use of GIS system and data available for project analysis would lead to better research for public discussions. City's GIS capacity to develop new data or complete analysis is stretched to limits. This process is currently underway with new study initiatives.

- New HEARTH Act and 10 Year Plan which will modify the current ESG (Emergency Shelter Grant program to become the Emergency Solutions Grant program). This change will shift the focus of the program to include rapid rehousing of people who are homeless. The staff will be undertaking an evaluation of the system and provide strategic implementation steps for system modifications

SWOT Analysis

[A SWOT analysis is used to identify key factors that drive or hinder the organization. Once completed, it is used to identify strategies that will to improve the organization by leveraging items identified. Four types of strategies are developed based on the SWOT matrix:

- SO – using the organization's internal strengths to take advantage of external opportunities;

- WO – Improving internal weaknesses by taking advantage of external opportunities;

- ST – using internal strengths to fend off external threats; and

- WT – a defensive strategy, aimed at reducing internal weaknesses and avoiding external threats.]

[Complete the chart below] [Adjust the box sizes as needed.] [This can be replicated for each area within your department, or done on an aggregated basis.]

Internal Strengths	Internal Weaknesses
- Experienced and well trained staff - We're well respected by the Community - Excellent Grant writing and administration skills - Good with community process and facilitation skills - Builder/supporter of collaborations	***Potential turn over of staff due to retirements*** ***Grant funds limit scope of staff's work*** ***Lacking shared community vision with other key divisions/departments***

External Opportunities	External Threats
• **Access new HUD funding directions for housing – lead paint and substantial rehabilitation** • **Formalize the Collaborations to create a "Housing Connection Zone", one touch coordinated rehab service** • **Increase resources by using more revolving loan funds instead of grants**	• **Funding reductions through HUD** • **Continuing administrative burden with federal funding and regulations** • **General fund turmoil/State funding reductions and affect on staffing** • **State funding reductions for partners to complete program activities**

III.   OPERATIONS

Revenues

The City of Duluth's annual allocation of federal resources is approximately $4.3 million and breaks down as follows for FY 2011: (*Subject to a final Budget Resolution)

CDBG	$3,070,000*
HOME	$ 810,000*
ESGP	$ 125,000*
LIHTC	$ 356,000

In 2012, the potential revenue reduction is 7.5% for CDBG and 9% for HOME.

Personnel

Community Development personnel are planning professionals who need to be versatile and have the ability to interact well with not only the public, but also elected officials. As such, they need to be trained in understanding complex federal regulations for program compliance and have the ability to translate these concepts in to an easily understood format for the layperson and neighborhood resident. Ongoing training and certifications in federal programs is a division requirement.

Key Expenses
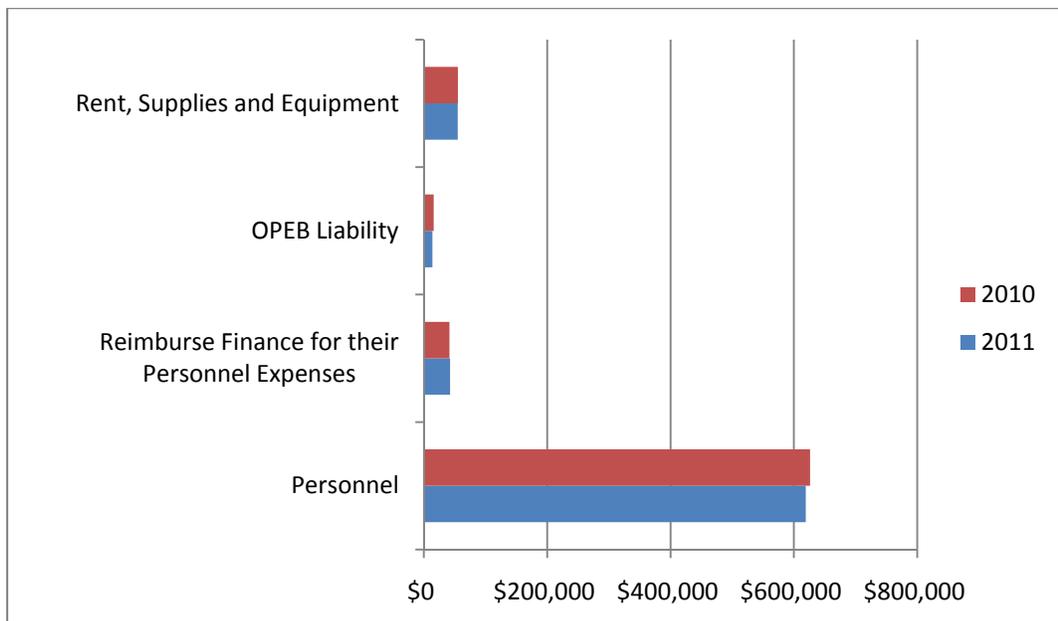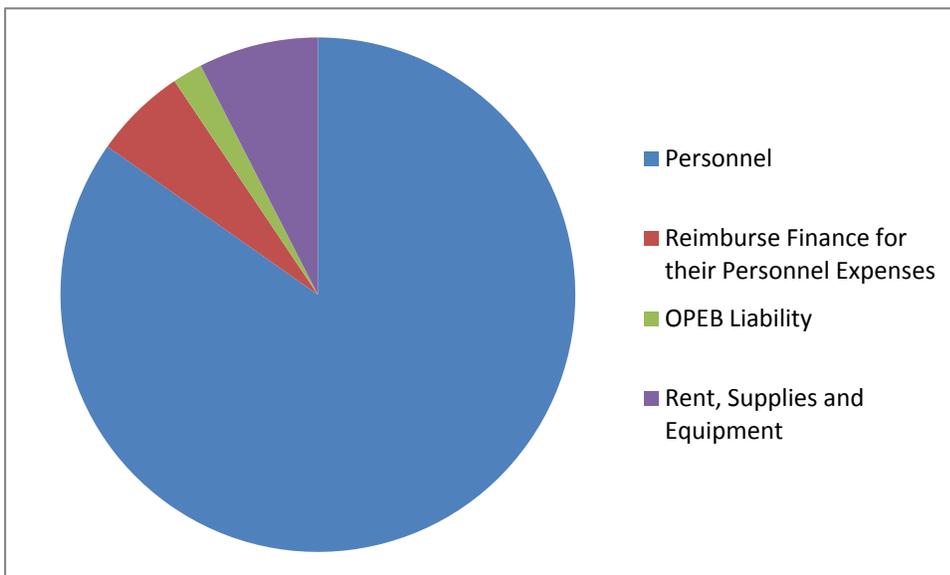
Location & Facility

The Community Development Division is located in Room 407 of City Hall and is open from 8:00 a.m. to 4:30 p.m.

Legal issues

Community Development funds require compliance with the National Environmental Policy Act for all activities. All Expenditures have to be in compliance with OMB Circular A-87. These project/program activities must be outlined and documented through written agreements, which have to contain all the required provisions of 24 CFR 570 and 24 CFR 92. The entire Community Development program is governed through a Citizen Participation process, which must comply with 24 CFR 91.

IV.   WHAT DO WE WANT TO ACHIEVE/WHAT DO WE WANT TO BECOME?

Vision

In the next five years, the division will be seen by the community as a part of the City that has made an impact on low-moderate income people's lives through better affordable housing options, and these people are living in neighborhoods of choice. The staff will be seen as cutting through the "red tape" for citizens, making their lives easier and showing good strategic investment of federal resources within the community. The staff has articulated the Community's goals (including the Administration's and Council's) for how the vibrancy of the urban lifestyle in Duluth can be shared by all individuals, while still taking care of the needs of our most needy citizens.

Five-Year Goals & Objectives

Goal	Objective	Tactics	Measurement
Establish a clear vision with partner divisions/departments with neighborhood revitalization	Work with Planning, Engineering, DEDA/Business Resources to share At-Home implementation	Each division is working on one to three strategies over the next five years and investing in these areas	
Establish a Housing Connection Zone in Duluth	Bring all partners in to a "one-stop" housing rehab location	The Housing Connection Zone for Duluth has been designated by HUD	
Further the City's Prosperity Agenda	Mobilize resources to reduce the housing burden of households	Program activities that lower the housing operational costs for both owners and renters	Annually the Housing Cost Burden is measured by the Indices of the Prosperity Agenda
Further the City's Prosperity Agenda and Community Development Program	Increase the amount and type of resources for these program activities	Seek out new grants and programs that meet the core values of the Primary Business Lines	

V.   HOW ARE WE GOING TO GET THERE?

Major Issues and Recommended Solutions

[Discuss issues and solutions here. These should feed from your SWOT matrix. You are not limited to three; include as many as you feel are important/relevant.]

Issue 1 – Shrinking federal and state resources and an aging housing stock, which is energy inefficient and the majority of the City's affordable housing stock.

Solution: Create a "Housing Connection Zone". This strategy would bring all housing rehab staff/agencies together in one location with shared resources to establish a "one-touch" system for housing preservation. This means facilitating partnerships, potential mergers to break down "corporate" barriers to collaboration.

Issue 2 – Aligning a common vision Community Development vision that encompasses more than housing with other City Divisions/Departments. The community has invested a vast amount of time with the At-Home in Duluth process and with less resources in the City, we need to assist with ensuring success in the plans where it makes sense for City involvement.

Solution: The At-Home in Duluth process has helped to coalesce the community around shared goals for neighborhood revitalization. A number of strategies in the planning process will overlap with shared goals of City departments/divisions for Planning activities, physical improvements (Engineering & Parks), along with economic development (Business Resources).   A team approach is needed to engaging staff and community members during this process to ensure strategic investment of resources in these neighborhoods.

Issue 3 – Engaging in furthering the City's Prosperity Agenda and the Community Development program to provide community dividends, of better educational attainment, higher wages, lower housing cost burdens

Solution: Seek out new grant opportunities and/or resources to further the needs of Low to Moderate Income persons for affordable housing, achieving economic self-sufficiency or basic needs. This may include accessing new programs from both State and Federal government to include foundations and other "non-traditional" resources.

VI. WHAT RESOURCES ARE WE GOING TO USE?

Finance Plan

City of Duluth Minnesota - 2011 Budget

Community Development Administration — **265**

Special Revenue fund established to account for the administrative costs associated with the Community Development Block Grant Program and other HUD Programs.

	2007 Actual	2008 Actual	2009 Actual	2010 Budget	2011 Proposed
FUND BALANCE - JANUARY 1	0	0	0	0	0
REVENUES					
Community Development					
Block Grant	387,256	454,977	539,908	530,000	556,155
Home	80,082	71,375	69,594	80,000	68,300
CDBG-R (ARRA)			4,951	38,000	30,000
HPRP (ARRA)			11,412	15,000	20,000
Neighborhood Stabilization			3,887	68,000	50,000
Emergency Shelter Grant	520	136	2,275	6,200	6,250
TOTAL REVENUES	467,858	526,488	632,026	737,200	730,705
EXPENSES					
Personal Services	435,719	486,879	579,261	626,300	619,333
OPEB		16,100	13,800	16,100	13,800
Other Services and Charges	32,139	23,509	38,965	94,800	97,572
TOTAL EXPENSES	467,858	526,488	632,026	737,200	730,705
FUND BALANCE - DECEMBER 31	0	0	0	0	0

BUDGETED FTE'S		2007	2008	2009	2010	2011
1085	Manager, CD/Housing	1	1	1	1	1
136	Senior Planner	2	2	2	2	2
133	Planner II	4	3	3	4	3
129	Planner I	1	0	0	0	1
124	Information Technician	1	1	1	1	1
	Division Total	9	7	7	8	8

Workforce Plan

The Community Development Division currently has a manager, five professional staff, one vacant staff position and one clerical support staff. The staff is experienced and well trained and knowledgeable about the federal requirements. Unfortunately, three of the staff are quickly approaching retirement eligibility. Over the next 3-5 years as many as three or four of the current staff may choose to retire. This staff turnover can be mitigated by the hiring of a new Planner for training and overlap with existing staff. The current funding from the Economic Stimulus bill provides an opportunity to add a couple of staff with the knowledge that this funding is only available for two-three years at a maximum and then it will decline or will need to be supplemented with regular administrative funding from the CDBG and HOME programs.

Technology Plan

The division has been keeping up with software upgrades and computer hardware needs. In the future with the addition of one Planner there will be a need for an additional PC.   Also, this division needs to better utilize the City's GIS system for analysis and planning with neighborhood districts and for community development planning, such as housing studies. An example of utilizing this new technology was in the Woodland School reuse meeting or the Irving Neighborhood planning processes with GIS analysis and sketch up.

Utilizing web-based software to report on Federal grants is becoming more of the norm for this division. That translates in to a need for a reliable internet connection with sufficient band width. One of the problems in past years has been the City's system and firewalls have made accessing these software systems difficult and slow. This software is the primary means by which performance measurements and beneficiary data is reported to the federal government. Also, the new systems are integrating the electronic submission of applications and annual reports to the federal agency.

More efficiency can be achieved through the better use of technology to gain better public participation with on-line community forums and creation of interactive websites to provide more information to the public. Also, the use of on-line grant applications could make the process of submitting funding proposals more efficient for agencies seeking resources from the City. Currently, we require applications to be submitted via email, but an on-line fill able form would be a more streamlined approach to submitting applications or program reports.

Equipment Plan

As this division adds new employees or with the innovation of better software and technology the only purchasing needs will be for software or flash drives that would allow people to work from remote locations, such as home. Also, the trend will be to replace desktop PC's with laptops that can facilitate the mobile working environment.

Space Plan

The establishment of a Housing Connection Zone will incorporate more staff than just the Community Development division. It would include 8 staff from the HRA Rehabilitation department and potentially other agencies, like Northern Communities Land Trust, Neighborhood Housing Services, Arrowhead Economic Opportunity Agency depending upon the level of coordination and efficiencies that can be achieved.

VII.   Management and Organization

Management Team

[Discuss management team experience, unique competencies, succession plan, broad-based duties, etc.]

Succession Plan

[Insert your succession plan here. Include plans not only for you, but your key personnel.]

Outside Professional and Advisory Support

[If appropriate, list the following:

- Commissions/Boards
- Outside agencies and partners
- Attorneys
- Accountants
- Insurance agents
- Bankers
- Consultants
- Mentors and key advisors]

VIII. Appendices

DEPARTMENT NAME: Business & Community Development	DIVISION NAME: Community Development	Report: __x__ January to June 30, 2010
		____ December 31, 2010 (full year)
Person Completing Report: Keith Hamre	Date Submitted 9/1/2010	____ January to June 30, 2011
		____ December 31, 2011 (full year)

Goals and Objectives	Measures	Outcomes and Results	Results for this Reporting Period	Issues or Problems Encountered
Provide Lead Safe Affordable Housing	**Number of Single Family and Multi-family units rehabbed**	Reduces the potential for lead poisoning of children	76 Single Family units and 77 Multi-Family units were remediated this last year.	New roll out of National regulations for all home renovations has increased the demand for trained contractors to complete remediation. This has lead to a delay, but also the number of qualified contractors are in demand and increasing costs.
Provide Energy Efficient Affordable	**Average amount of energy savings unit rehabbed**	**Reduces the use of fossil fuels and increases household**	72 Single family homes were weatherized with a minimum average energy savings of 20%. 41 single family homes	Market conditions and other factors have brought new residential construction to a virtual halt in Duluth. However,

Housing	will improve by 10%	incomes by reducing expenses	and 77 multi-family units were rehabbed with a minimum average energy savings of 10%.	these same market conditions provided an opportunity to increase the quality and affordability of existing housing through weatherization and rehabilitation.
Create Employment Opportunities that have Career Paths	**Number of Duluth@Work participants who achieve a 25% income increase in 3 year period**	**Reduce the demand on the program assistance like TANF (Temporary Assistance to Needy Families/MFIP)**	There are 35 current 2008 D@W participates. After 3 years, 6 increased their income by 25% or more, 12 increased their income less than 25%, 9 are at the same wage as when hired, and 5 are currently unemployed.	Economic downturn made getting jobs difficult, but our programs did fairly well at making in-roads with employers.
Reduce Chronic Homelessness in Duluth	**Number of people whose housing is stabilized through rapid rehousing to prevent homelessness per year**	**Provide permanent housing solutions that reduces homeless population of the community**	HPRP (Homeless Prevention & Rapid Rehousing) program has helped to stabilize homeless individuals and families by rapidly re-housing 25 households or 45 persons and by preventing homelessness to 10 households or 185 persons.	Foreclosures have caused a block to the housing cycle by adding more households that need affordable housing units. The community also had a high rental vacancy rate which should go down due to the increased demand. Also, landlords are not renting to persons with poor rental histories because of the "three-incident" rule.
Provide	**Number of**	**Reduces the**	12,559 people were served	Numbers reported indicate a

Services to meet Basic Needs of Low Income people in Duluth	**people who access basic services through Hunger Program and Health Clinic**	**demand for high cost emergency health services and people will be able to work**	meals or received food packages through the Duluth Hunger Project. 4,973 people received health services from the Lake Superior Community Health Center.	growing need for these basic services over the last few years.

CITY OF DULUTH

COMMUNITY DEVELOPMENT

PROGRAM

CITIZENS PARTICIPATION PLAN

February 2009

CITY OF DULUTH

CITIZEN PARTICIPATION PLAN

For HUD-Funded Community Development

Program and Consolidated Plan

A.   Introduction and Background Information

1.   This document shall serve as the plan that serves as the guidelines and procedures to address citizen participation requirements under the Consolidated Plan, and under the Community Development Block Grant (CDBG), HOME Investment Partnerships Program and Emergency Shelter Grant (ESG) Programs as funded by the U.S. Department of Housing & Urban Development (HUD). Participation by low-moderate income persons, residents of predominately low-income neighborhoods, persons of color, non-English speaking persons, and persons with disabilities is especially encouraged.

2.   Section 103(a)(3) of the Housing and Community Development Act of 1974, as amended (the law that established the CDBG Program) sets forth certain requirements for citizen participation activities. 24 CFR 91.105 are the federal regulations that outline the "citizen participation" requirements, as well as certain other requirements for HUD-funded activities, as a part of the Consolidated Planning process. This document has been established in order for the City of Duluth to be in conformance with requirements of the above law/regulations. In 24 CFR 91.105 there are numerous references to the "citizen participation plan" requirements as well as "consolidated plan" requirements.

3.   The Citizen Participation Plan shall have a 30-day review and comment period after the date that it is available via newspaper advertisement and news

release. Copies will be made available at no cost at the offices of the Community Development Division, Room 407 City Hall, Duluth, Minnesota 55802. Handicapped individuals will be mailed a copy of the plan at no cost if they call (218) 730-5480 and request same. Upon completion of the 30-day comment period, the City Council will review the plan and any comments received prior to sending the plan on to the Mayor for approval. In the event there is a need for an amendment to the Citizen Participation Plan, a similar procedure as described above will be followed.

Once the Citizen Participation Plan is adopted by the Council and approved by the Mayor, this document will then supersede former Citizen Participation Plans.

B.   Policy to Minimize Displacement

It shall be the policy of the City of Duluth that, in general, HUD funds will not be used to fund activities that result in the displacement of individuals and/or businesses. In the event that a project that would result in acquisition and/or relocation is funded with HUD monies, the City shall follow federal and state laws/regulations that set forth minimum benefits to be provided to those individuals and/or businesses that are displaced. In addition, the City shall continue to provide supplemental benefits over and above those minimums required by federal and state laws/regulations to those homeowners displaced as a result of a City funded (to include HUD funds) acquisition activity. To ensure compliance with program regulations, the Duluth HUD-funded programs shall follow the City of Duluth, October, 1996 edition of the *Antidisplacement, Relocation, Acquisition and Replacement Housing Plan*, as adopted by City Council Resolution 97-0021, which was passed on February 10, 1997, and shall remain in effect until modified and/or replaced by action of the Mayor and the City Council. Copies of the plan and the resolution are available in the City Clerk's and Community Development Division offices. Inasmuch as projects can only be implemented by City Council Resolution and Contract action, a project contract where acquisition and/or relocation activities will occur shall contain contract provisions requiring that benefits due owners, tenants, and businesses shall be provided as described above. In the event the City uses another body and/or

agency to carry out an activity, the contract shall contain similar provisions. The contract will also require that all those due benefits shall be so notified to explain their rights under this policy and the law.

C. Relationship to the Housing & Redevelopment Authority of Duluth (HRA)

Since before 1969, the City of Duluth and the HRA (City's Public Housing Authority) have maintained a close working relationship in implementing HUD-funded projects in the City of Duluth. The HRA has been and will continue to be included on the Community Development Committee mailing list. This allows for information to be current so that the HRA can have input into activities and also allows for the HRA to provide information to their tenants about activities in the community and also addresses the requirements to make information available for the HRA annual public hearing under the HRA's Comprehensive Grant Program.

D.   Consolidated Annual Performance and Evaluation Report (CAPER)

In addition to the Community Development Committee "CAPER Public Hearing" described elsewhere in this document, the City is required by HUD to prepare an annual report to address progress with respect to HUD-funded activities within 90 days of the new program year start date. As part of preparation of the annual report, a newspaper ad and news release will advise citizens that they have 15 days to comment on the report and/or program. Copies of the Draft Report and the Final Report will be available at no cost by the Community Development (CD) Division Offices in City Hall and, on request, will be mailed at no cost to persons with low-moderate incomes. Any comments received at the aforementioned public hearing and during the public comment period will be summarized and/or attached to the final report that is submitted to HUD for review and approval.

E.   Access to Records by the Public and Agencies

Documents such as the Consolidated Plan, annual reports, program regulations and individual project records will be made available to the public subject to any restrictions set forth in federal and state "data privacy act" laws and regulations. The documents will be available during business hours 8:00 a.m. to 4:30 p.m. at the CD Division offices in Room 407 of City Hall - an accessible building. Records will be kept available for a minimum of five years prior to their being placed in file storage for closed projects or closed program years.

F.   Staff Technical Assistance

Staff of the CD Division shall provide technical assistance to groups representative of low-moderate-income persons that request such assistance in developing proposals for funding as part of the Community Development program. This assistance will not include the provision of funds to the groups.

G.   Standard Procedures for Meetings and Public Hearings

All meetings and hearings of the Community Development Division and the Community Development Committee (CD Committee) are covered under the provisions of the state "open meeting law."   Meetings of these groups will be held during evening hours at public (city) locations that are accessible to persons with disabilities. Copies of each meeting notice shall be forwarded to the Office of the City Clerk, where they are kept on public display and file. Public Hearings shall be advertised in the City's Official Newspaper ten days prior to the hearing. In addition to the newspaper, an advertisement will be placed on PACT TV, the City's website and participating agencies will be asked to post a notice at their offices and facilities. Also, the City may use online forums to collect community input. The notice shall contain meeting time and location and the purpose of the hearing. In the event a Public Hearing is expected to be attended by a significant number of non-English speaking individuals, a translator will be provided for said Public Hearing.

H.   Consolidated Plan - General Procedures

The following are general process steps for preparing a five-year Consolidated Plan. Later in this document is the Annual Community Development Program calendar, which outlines the process for determining funding investments, which is the Annual Action Plan, an important subset of the overall Consolidated Plan.

1.   The process will start with an analysis of the housing market to determine the affordable housing gaps and a community needs assessment. Then the Community Development Division will hold a series of "General Needs Public Hearings" at the neighborhood level, which will state the process to develop the Consolidated Plan or the annual updating of the One Year Action Plan portion of the Consolidated Plan and address the general needs of the community that could be addressed with HUD program funds.

Following the public hearing, the CD Division will meet with various concerned groups and agencies that deal with community needs, after which a draft Consolidated Plan priorities and strategies will be developed. This is then followed by a summary advertisement in the local newspaper and news release that copies are available for inspection at the local library, as well as the offices of the CD Division in City Hall. All who are interested may obtain copies, at no cost, of the draft Consolidated Plan during the 30-day public comment period. A summary of any comments, written or oral, received during the 30-day comment period, along with the City response to the same, will be attached to and become part of the "final" Consolidated Plan. An additional Public Hearing will be held by the CD Committee or the City Council after the 30-day comment period and prior to the City Council formally approving the Consolidated Plan and forwarding it to HUD for review and approval.

2.   In the event there are major changes in the socio-economic conditions in the City or in legislation that impacts the Consolidated Plan, a substantial amendment to the Consolidated Plan may become a necessity. In this event, similar procedures with respect to Public Hearing, 30-day comment period, accepting and responding to comments, and publication/ distribution/availability of the amendment will be followed as described above for the basic Consolidated Plan prior to City Council approval and authorization for submittal to HUD for review and approval. Those conditions that would trigger a substantial amendment with respect to project activities funded by the program are described in detail later in this document.

3.   Continuum of Care Planning Process for McKinney/Vento and ESGP funds

The City of Duluth collaborates with St. Louis County (SLC) in the Continuum of Care (CoC) process to end homelessness. The goal of the CoC, through a countywide perspective and distribution of funds, is to help homeless people achieve self-sufficiency and stability in permanent housing. Through the CoC process, SLC annually coordinates applications to secure funding through HUD's SuperNOFA for Homeless Assistance under the McKinney-Vento Act. The City of Duluth annually receives Emergency Shelter Grant Program (ESGP) funds, through the McKinney-Vento Act, for housing and services for homeless people in Duluth. As a part of the SuperNOFA process, a Committee to End Homelessness, comprised of countywide representation, reviews applications submitted by service providers, transitional and permanent housing providers, and homeless shelter providers and makes funding recommendations to HUD for the SuperNOFA process. In an effort to better coordinate services and resources, this committee will also make recommendations to the CD Committee or City Council for Duluth's ESGP funding.

I   Citizen Participation Committees and Their Function

Low-moderate-income individuals and groups are encouraged to attend and participate in all phases of the yearly process with the CD Committee and the Duluth City Council. See attached flow chart at the end of this document that shows the relationship of these committees or groups.

Per the City Charter, membership on the CD Committee is determined through nomination by the Mayor and confirmation by the City Council. Terms of membership shall be for three years and, in general, limited to two consecutive terms. The CD Committee shall operate in conformance with the program regulations in general, equal opportunity/civil rights requirements in particular, and with a sense of fairness to all groups, individuals, and ideas. The CD Committee shall have a Conflict of Interest Policy that is in conformance with federal regulations on file. The Mayor, in addition to

being the appointing authority, shall also have the authority to remove a member from membership for cause. An example of "for cause" can be three unexcused absences by a Committee member.

1.   Community Development Target Areas: Community Development Target Areas are made up of a combination of Census Tracts or Census Block Groups that are eligible as a "Target Area" under HUD program regulations, based on the percentage of residents (currently in excess of 51%) in that Target Area that meet HUD (low/moderate-income) guidelines, as modified from time to time by HUD action. The City Council shall designate Community Development Target Areas by resolution, that may be amended with updated Census or survey information.

2.   Community Development Committee (CD Committee): The CD Committee shall consist of eleven members: Preference will be given to persons of color or who are low to moderate income. The CD Committee shall annually elect a Chair, First Vice Chair, and Second Vice Chair. Five members or more at a meeting shall constitute a quorum.

The role of the CD Committee will be to review proposals for funding under the Community Development program. The CD Committee will establish criteria to evaluate and rank specific proposals for neighborhood activities and low-moderate clientele activities. The CD Committee will prepare a recommendation with the concurrence of the Community Development Manager to the City Council and the Mayor.

From time to time, the CD Committee may wish to create subcommittees to address specific issues or undertake community or neighborhood studies. These subcommittees may be created by resolution at a CD Committee meeting establishing said subcommittees. The resolution shall state the name of the subcommittee, its purpose, its composition and a time line for completing the task.

3. **Community Development Division:** The Community Development (CD) staff shall be responsible for determining if an activity is eligible for funding in the Community Development program and meets a national objective. CD Staff will provide a technical review of funding proposals to include how the application meets the goals of the Consolidated Plan and past grantee performance. CD Staff will also provide professional planning services to neighborhoods that want to develop a Neighborhood Revitalization Strategy Area plan for approval by the City Council and HUD. CD Staff shall initiate and complete research on community needs and will work with community partners to develop strategies to meet those needs. Also, the staff will develop and implement a performance measurement system for the Community Development program.

J.   Annual Community Development Program Calendar

The Consolidated Plan serves as a "planning" document, as well as a vehicle for the establishment of project funding priorities for the overall five-year program. This section will deal with how funding priorities and projects are established for each fiscal year of the Community Development Program for the development of the Annual Action Plan. In general terms, the following procedures will be used:

The Community Development Program year shall begin on April 1st and end on March 31st. The Community Development Division shall submit the CAPER report to HUD on June 30th. The Annual Action Plan shall be submitted to HUD 45 days prior to the beginning of the next Program year, or by February 15th.

The CD Committee and the staff will provide a public notification with information on the community's funding priorities for that year and make known the deadlines for the submission of the proposals. The Community Development staff will hold one or more technical assistance sessions.

Some time between June 15th – June 29th, the CD Committee will hold the CAPER Public Hearing to review the past performance of activities which received Community Development fund investment.

After the Housing Market and community needs analysis, the Community Development Committee will sponsor a series of community hearings at the neighborhood level to seek input on investment strategies and the needs of residents in the Community Development Target Areas.

The CD Committee will review and evaluate proposals by measuring them with the goals of the Consolidated Plan and their evaluation criteria. The CD Committee will require applicants to provide written responses to any questions about their funding proposals. The CD Committee will prepare a funding recommendation with the concurrence of the Community Development Division Manager; that recommendation will then be published for a 30-day public comment period, as required under the Consolidated Plan regulations, to make known their recommendations for funding. After the public comment period, the CD Committee will hold a public hearing to review written comments and hear public testimony on the funding recommendation. The CD Committee will then submit their recommendations to the City Council and Mayor for their approval and submission to HUD.

K.   Substantial Amendments

A Substantial Amendment(s) to the Consolidated Plan will be announced via newspaper ad and news release, to be followed by a 30-day review and comment period prior to the CD Committee holding a public hearing and developing a recommendation with the concurrence of the Community Development Manager for consideration by the Duluth City Council and Mayor. As described above, copies of the proposed amendment will be available at no charge at the Duluth CD Division Offices and handicapped individuals will be mailed a copy at no cost upon calling the number listed above.

Those changes that would require a substantial amendment would be as follows:

1.   It is decided to change a priority in the Consolidated Plan, either one of the priorities from "Priority Needs Summary Table, Table 2" of the Consolidated Plan or one of the City's goal or key priority strategies.

2.   It is decided to abandon (or not carry out) a project or an activity described in a CD Program year application for funding (Consolidated Plan - One Year Action Plan).

3.   It is decided to add a new project or activity not previously described in the

        Consolidated Plan or Annual Action Plan.

4.   It is decided to "substantially change" the purpose, scope, location or beneficiaries of an existing project or activity. Examples of "substantial change" would be changing a senior-citizen-oriented project to a youth-oriented project, changing the location of a proposed community center from one CD Target Area to another CD Target Area.

5.   With respect to fiscal changes, a change at one time that involves financial changes of funding allocations in a sum greater than twenty percent (20%) of those funds in any particular CD program year total program grant amount.

Minor amendments to the Consolidated Plan will be recommended by the Community Development Manager to the City Council for action by resolution and approved by the Mayor. Meetings of the City Council are open to the public and people may sign up to speak on any Council resolutions.

L.   Emergency Amendments

It may be necessary to amend the Annual Action Plan and budget in response to emergencies. Notice of proposed emergency changes will be published in the City's Official Newspaper at least seven days prior to a City Council meeting at which the emergency change will be considered. All comments on the proposed change will be considered by the Council prior to taking action. The City Council may make the proposed change, reject the change, or modify the change.

M.   Complaints

Prior sections of this document dealt with how "comments" would be processed. This section of the document shall deal with the subject of "complaints." The CD Committee shall adopt the lead role in dealing with complaints with the understanding that any complainant shall also have the right to bring the complaint to the City Council or Mayor for their consideration. Complaints may be related to the Consolidated Plan and amendments to the same, the annual performance report, general program activities, or individual project activities. Complaints must be in writing and addressed to the CD Committee. City staff will make every reasonable effort to provide a written response to a complaint within fifteen (15) working days. The CD Committee will then review a complaint and staff response and develop a decision as they deem appropriate. A copy of the complaint, staff response, and CD Committee decision will be mailed to the complainant. Complainants shall also have the right to file complaints with the U.S. Department of Housing & Urban Development.

**U.S. DEPARTMENT OF HOUSING AND
URBAN DEVELOPMENT**

Approves Consolidated Plan and Annual Action Plan

**CITY OF DULUTH
MAYOR**

Authorizes Submission of Consolidated Plan to HUD
Approves Consolidated Plan for Submission to City Council
Appoints CD Committee Members for City Council Confirmation

**CITY OF DULUTH
CITY COUNCIL**

Approves Consolidated Plan Goals and Budget for Mayor's Signature
Confirms CD Committee Members Appointed by Mayor

**COMMUNITY DEVELOPMENT COMMITTEE
(11 Members)**

Recommends Consolidated Plan and Annual Action Plan to City Council with
Concurrence of CD Manager

CITIZENS OF DULUTH

Business Plan

City of Duluth

Workforce Development Division

2011-2012 Business Plan
Prepared by: Don Hoag, Manager
Submitted: March 31, 2011

I.   Executive Summary

The Workforce Development Division is a part of the Business and Community Resources Department of the City of Duluth. It receives federal and state funding to operate a variety of employment and training programs, most notably those funded by the federal Workforce Investment Act (WIA). To receive these funds, we have been designated as a local workforce service area, one of only 16 in Minnesota. That status brings with it the entitlement to a proportional share of program funding allocations. It also means we have a workforce investment board, a group of citizen volunteers who are appointed by the Mayor to provide program oversight and strategic planning. Program oversight is important to the delivery of quality programs to our customers, while strategic planning contributes to the accomplishment of important economic and workforce development goals as identified by the Mayor.   Finally, our status as a designated workforce service area gives us control over program priorities and spending at the local level.

The division is considered by the City to be a Special Revenue Fund, meaning its operations are supported by revenue streams other than the General Fund. These streams, and the programs they support, are described in more detail in the business plan. Although not a part of the General Fund, which has been experiencing shortfalls for the past several years, the outside funding covers all ongoing operations and staff costs, and we are also paying rent and reimbursing for certain other expenses as a means of contributing to the City's efforts to balance its overall budget.

Program funding gradually declined through much of the decade, so that we reduced our budgeted staff complement from 28 to 18 through elimination of vacant positions and attrition. The potential for staff retirements, and the influx of large amounts of ARRA funding during 2009-2010, led us to increase our budgeted complement to 21, of which 20 are currently filled (we have had one retirement during this period of time). As of this writing, we face an unprecedented level of uncertainty regarding future funding as both the federal and state governments try to deal with large budget deficits. It is difficult

to estimate future funding levels, which can be illustrated by two conflicting federal funding proposals.

1. In early 2011, the U.S. House of Representatives passed a continuing funding resolution, H.R. 1. That bill would have eliminated Workforce Investment Act funding for Program Year 2011. This would have eliminated funding for our Youth programs effective April 1, 2011, and for our Adult and Dislocated Worker programs effective July 1, 2011 (these programs are described more fully elsewhere in this Business Plan).

2. The President's proposed budget for federal fiscal year 2010 (starting on October 1, 2011) proposed approximately a 6% reduction in WIA program allocations.

Although the Senate voted down its version of H.R.1, the extreme difference in the two proposals makes it extremely difficult to predict at what level WIA will be funded. At the present time, the Senate has rejected H.R.1, and the House and Senate continue to pass a series of continuing funding resolutions aimed at keeping the federal government functioning. The latest of these has begun to cut earmarks and programs, and would start imposing small cuts on some of the programs operated by the Division. If a long term resolution is passed, we will know our funding through the end of this federal fiscal year (September 31, 2011). Beyond that it may be more difficult to predict. We will continue to monitor the situation and respond accordingly. In the interim, no budget projections are included in this Plan due to the high level of uncertainty.

II.   WHO ARE WE?

Mission Statement

The Mission Statement of the Duluth Workforce Council (adopted in January, 2011) is as follows. *"Build a skilled, diverse and adaptable workforce to meet existing labor market needs, the changing needs of our dynamic market, and stimulate economic development and growth."*

Who Are We?

The Workforce Development Division exists principally due to the fact that the City has been a designated service delivery area under a succession of federal employment and training laws, including the current WIA. As a designated Workforce Service Area, the City receives federal funding to operate employment and training programs for its citizens, which are described below. Also, as required by WIA, the City has a volunteer citizens' advisory/oversight body known as a "workforce investment board" (WIB). In Duluth, this group is known as the Duluth Workforce Council. By law, its members are appointed by the Mayor as the chief local elected official. Members represent constituencies as specified in state and federal law. The most important of these is to note that a majority of members must represent private sector employers, and the Chair of the board must always be a representative of the private sector. The board has two broad functional responsibilities:

a. Strategic – create partnerships and collaborations, act as a convener, and develop a local strategic plan to accomplish the primary goal: ensure that local businesses have access to a workforce which has the skills it requires.
b. Oversight – oversee program operations, approve plans and budgets, etc.

The first of these responsibilities is expected to become an increasingly important area of focus for the City, as the Mayor has identified workforce development as a key means of accomplishing economic development. Although the current economic downturn has led to layoffs and an increase in the

unemployment rate, it is still well known that once the large wave of baby boomer retirements begins to occur over the next 10 years or so, the labor force behind is of smaller size. This will lead to labor shortages, and potentially skill shortages. Communities who have worked to develop strategies to attract and retain a labor force, and are able to meet the skill training needs of local employers, will have a competitive advantage when the labor shortage begins to manifest itself. Although this phenomenon has been delayed by the recent economic recession, it is still expected to occur in the next five to ten years. In response to this issue, the WIB in Duluth has developed a strategic plan, a copy of which is attached as an appendix. As can be seen in that document, outreach to the local and regional business community is a key function of the WIB.

The WIB has also agreed to play a key role in the implementation of the Mayor's Prosperity Agenda, a community wide initiative designed to assist individuals and businesses build assets and increase their prosperity. A ten-point "Prosperity Index" has been developed (also attached as an appendix). The WIB has agreed to take the lead role regarding the two workforce related items in the Index.

In terms of priorities, the Division tends to respond to priorities as established by external funding sources, including the U.S. Department of Labor and the Minnesota Department of Employment and Economic Development (DEED). These entities, through their program funding, set goals and objectives for service providers such as us, and for program participants. In many cases, they also set performance measures, which are discussed in a subsequent section of this Plan. As already noted, significant questions remain regarding the level of future funding we can expect. If reductions are to the point that staff is impacted, our operating priorities will be determined by the programs which are funded. Unlike other City divisions which may have discretion in the services they provide, our services are determined by the programs which we receive funds to operate. Simply put, we will provide the services we are funded to provide.

Values

All Division staff are cognizant of the fact that we operate programs which are intended to benefit the participants. As a result, Customer Service is not only a core value, it is in many ways the reason for our existence. All of our program areas have performance measures imposed by the funders, and we strive to meet or exceed these goals. The Division also strives to embody the city's guiding principles of "Own It, Solve It, Take Pride." Our ability to adapt and succeed in the new environment which appears to be heading our way will require us to excel at implementing creative solutions in accordance with these principles.

Business/Program Structure:

Organization of the Department

The majority of employees in the department are Employment Technicians, who are assigned to a variety of functional/programmatic areas as described in the next section. They are primarily engaged in direct customer contact, and manage a caseload of participants, delivering program services to each. Two clerical positions at the level of Information Technician provide administrative assistance and staff reception desks both at City Hall at on a part-time basis at the Duluth Workforce Center, where a portion of the staff is housed. A Senior Community Employment Director is responsible for two separate funding streams in this program area, and serves as lead worker. This functional level is required by external funding sources. Finally, the Divison Manager supervises all employees, coordinates internal and external relationships, ensures required functions are completed, and serves as Executive Director of the Duluth Workforce Council.

Key Operational Functions

Major programmatic/functional areas are as follows.

1. WIA and related state funds pay for program services in these areas: Youth (ages 14-21), Adult, and Dislocated (laid-off) Workers. Under federal and state statute, the Workforce Council has oversight authority of these programs. At the current time, the total amount of federal and state funding

allocated to the City of Duluth this year is approximately $1,300,000, including a special one-time project grant to assist employees laid off from Advanstar in the amount of $195,000.

2. Minnesota Family Investment Program (MFIP) and other related public assistance programs: MFIP is Minnesota's program to provide family welfare to work assistance under the federal Temporary Assistance to Needy Families (TANF) act. This program is carried out through counties in Minnesota. As a result of federal welfare reform in the 1990s, recipients of various public assistance programs are now required to work with a provider of employment services. St. Louis County contracts with three primary providers of employment services, of which Duluth Workforce Development is one. Serving such a customer base enables us not only to provide direct service to a population which is truly in-need, but also helps us accomplish our goals in our WIA Adult and Youth programs, which are aimed at participants who are economically disadvantaged. At the current time, the total amount of federal and state funding allocated to the City of Duluth via its contract with St. Louis County is just over $1,000,000.

3. Senior Community Service Employment Program (SCSEP): Duluth receives funding to operate this federal program from two sources. The state of Minnesota receives funds, some of which are allocated to Duluth. Additionally, Duluth receives funding from Senior Service America, Inc., a national grantee receiving SCSEP funding from the U.S. Department of Labor. Monies are used to place eligible low income senior citizens (age 55 or older) in part time work experience training situations, either in government entities or community non-profits. At the current time, the total amount of funding from the two sources is just over $577,000 per year. Of this, $72,500 is a one-time allocation which will expire on 6/30/11.

In all three of these functional areas, the on-going allocations are subject to future cuts by either the federal or state governments.

The following chart illustrates how our funds are expended. Some of the programs, particularly those in the WIA area, provide for a significant portion of funds to be spent on tuition for occupational training. In contrast, the MFIP group of programs do not include tuition or associated training costs as an eligible expense. We do provide supportive services such as assistance with transportation costs, but these programs tend to be more staff-intensive, as we teach job seeking skills and assure participant compliance with the myriad of program rules. Finally, the Senior Community Service Employment Program accomplishes its objectives through the provision of on-the-job training, so a very large percentage of the funding is expended directly on behalf of the participants.

Spending by Program Area

Legend:
- Other Spending: Staff Costs, Rent, Supplies
- Direct Spending on Customers: Tuition, Supportive Services, Wages for Work

Y-axis: 0, 200,000, 400,000, 600,000, 800,000, 1,000,000, 1,200,000, 1,400,000

X-axis categories: W.I.A. & Related, MFIP & Related, Senior

Organizational Chart

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                    ┌─────────────────────┐
                    │      Manager        │
                    │                     │
                    │      1.0 FTE        │
                    └─────────────────────┘
        ┌─────────────────────┐     │
        │ Information Technician│────┤
        │      2.0 FTE         │     │
        └─────────────────────┘     │
                    ┌─────────────────────┐
                    │ Sr. Community Empl. Director │
                    │      1.0 FTE        │
                    └─────────────────────┘
```

Empl. Tech. MFIP & Related 8.0 FTEs	Empl Tech. WIA/MN Youth 3.0 FTEs	Empl. Tech. SCSEP 1.0 FTEs	Empl. Tech. WIA Adult 2.0 FTEs	Empl. Tech. WIA/MN Disl. Worker 2.0 FTEs

Significant Trends and Changes

Three significant trends/changes may be identified.

1. Stimulus funding under the American Recovery and Reinvestment Act has now been fully expended. This was a temporary infusion of over $2,000,000 in program funding for 2009-2010
2. As recipients of federal WIA funding, we are a mandatory partner in the local Workforce Center, which is a "one-stop" center housing employees from six different agencies, co-located for a variety of reasons including customer convenience. Division staff working on these programs are housed in the Center, which is currently located in the Government Services Center. The lease there expires on 7/31/12, and we are currently engaged in a search for a new location.
3. High levels of uncertainty regarding future funding levels for our programs.

SWOT Analysis

Internal Strengths	Internal Weaknesses
• Experienced staff – competent, effective • Typically meets or exceeds performance measures	• Limited staff capacity to support major new initiatives
External Opportunities	**External Threats**
• Designation as Workforce Service Area = local control over spending, priorities • Solid history of regional collaboration • WF Council Strategic Plan	• Subject to funding fluctuation which could get significantly worse • Large portion of funding dependent on County contract • Lack of awareness re: how

provides opportunity to contribute to City's economic success and build awareness	Division contributes to City's strategic mission

III.   OPERATIONS

Revenues

Revenues have fluctuated over the years, but typically not at a level which significantly impacts operations or staff. A slow reduction from 2002 – 2009 resulted in staff reductions through attrition. ARRA funds in 2009-2010 resulted in a slight increase in staff and a significant increase in customers served. Funding for 2011 is at an acceptable level (up from 2009), but as already noted, legislation to reduce federal and state budget deficits could seriously impact funding, and all three programmatic areas have been mentioned as targets for cuts.

Personnel

Staff is comprised mostly of professional career counselors, known by their Civil Service Classification title of Employment Technician. Temporary and seasonal employees are not utilized to a great degree.

Key Expenses

Since a large portion of service delivery is accomplished via Employment Technicians, the single largest expense is staff salary and fringe benefits. A small portion is dedicated to other expenses (supplies, rent, etc). Most of the remainder is spent on program participants – providing tuition payments, paying for work experiences, and supportive services such as transportation assistance.

Location & Facility

Just over half of the staff is located in our area on the 3rd floor of City Hall. Most of the remainder are housed at the Workforce Center, currently in the GSC but to be relocated over the next year or so. Three staff providing service to Youth operate out of the lower level of the Central Hillside Community Center at Lake Avenue and 4th Street.

Key Customers

1. Job seekers who are participants in the programs we operate.

2. Businesses – we seek to ensure that our labor force is of sufficient size and that its members possess the skills that businesses require.

3. Funders – we are a vendor to St. Louis County for the MFIP group of programs. We also have a responsibility to other program funders such as DEED and Senior Service America, Inc.

WHAT DO WE WANT TO ACHIEVE/WHAT DO WE

Five-Year Goals & Objectives

[Use the following chart to identify your goals, objectives, tactics and means of measurement.]

Goal	Objective	Tactics	Measurement
Assist Duluth WF Council in implementation of its strategic plan	Fill membership vacancies and form new committees called for in plan		
	Committees develop work plans to implement plan		
Coordinate successful move of Duluth WF Center	Identify appropriate space Enter into lease arrangement Successful physical move		
Adapt to changes in funding levels	Monitor state and federal funding levels Develop action plans to deal with significant changes Implement action plans		

Meet or Exceed Performance Measures	We strive to achieve an overall rating from DEED that shows we Exceed our goals (see Appendix)		

IV.   HOW ARE WE GOING TO GET THERE?

Major Issues and Recommended Solutions

See Goals & Objectives above.

V.   WHAT RESOURCES ARE WE GOING TO USE?

Finance Plan

Our funding situation is well documented earlier in the document. Although fluctuations have happened in the past, the current potential for large cuts is far different from anything we have seen before.

Workforce Plan

Our staffing is appropriate for our current funding level. We can absorb some reductions without an impact on staff, but depending on the magnitude of cuts, we may get to the point where impact on staff is unavoidable.

Technology Plan

When the Workforce Center relocates, we will require assistance from MIS – we will either need remote access to the City's network, or will need a local network of our own.

Space Plan

Space plan centers around relocation of the Workforce Center. As previously noted, this is in process and the final conclusion is not known yet. It should be noted that when the new lease is arranged, the City has decided it will assume the position of master lease holder, and it will sub-lease space to the other Center partners. This is in contrast to the current arrangement, where DEED is the master lease holder, and the City is a sub-lessee.

VI.   Management and Organization

Management Team

Management consists of one manager for the Division – Don Hoag. Carol Turner (Senior Community Employment Director) has served as acting manager in the past, and fills in when Don is absent. This is more of a lead worker concept than formal supervisory authority on her part.

Succession Plan

A change in management would most likely be accomplished by an external hire.

VII.   Appendices

The following appendices are to be considered part of this plan.

1. WIB Strategic Plan for 2011-2012

2. Prosperity Index

3. Workforce Development Performance Template

BUSINESS PLAN –
PLANNING

PLANNING & CONSTRUCTION SERVICES

Business Plan

City of Duluth

Planning Division

2011- 2012 Business Plan
Prepared by: Cindy Petkac, AICP, Planning Manager
Submitted: April 20, 2011

I.   Executive Summary

The Planning Division works with the community to define the long-term goals for the City of Duluth. What kind of city do residents, businesses and public officials want Duluth to become in the next 10 to 20 years? What are the values that are important to all Duluthians? Once a long-term vision is defined, it is the Planning Division's responsibility to make that vision become a reality. Planners make sure that the decisions we make today will result in the tomorrow we so desire. We are trained to look at how all of the various pieces in city building fit together to make Duluth the special place it is.

Duluth is fortunate to have a well-defined long-term vision. The Comprehensive Land Use Plan, adopted in 2006, sets the policy direction for how Duluth should grow and develop over the next 20 years. The City took a major step in making that plan a reality when it adopted new zoning regulations in 2010. The Unified Development Chapter of the City of Duluth Legislative Code (UDC) is the official body of rules and regulations that guides land use and development in Duluth. It includes the City's zoning and subdivision regulations.

Over the next two years, planners in the Planning Division will continue to implement the Comprehensive Plan. We will do this through initiatives such as the UDC Rezoning Process, an effort to bring existing zoning into compliance with the future land uses designated in the Comprehensive Plan. We will also work with the community to conduct detailed studies of defined areas of the city. On a daily basis, the Planning Division assists residents and businesses who want to develop or redevelop their property. We accomplish this by working closely with our partners in Building Safety and Engineering as part of the One Stop Shop – the primary customer gateway for all permitting and zoning related inquires and activities.

The Planning Division is committed to making sure that the City of Duluth is a thriving, sustainable and walkable community that will be enjoyed by future generations of Duluthians for decades to come. The economic recession of the last few years has resulted in a new normal in terms of what people desire and expect from cities of the 21st century. According to the 2011 Community Preference Survey completed for the National Association of Realtors, "ideally, most Americans would like to live in walkable communities where shops, restaurants, and local businesses are within an easy stroll from homes and their jobs are a short commute away." We in Planning will do our part to position Duluth as the city of the future and the economic driver of NE Minnesota.

II.   WHO ARE WE?

Mission statement

The Planning Division collaborates with the public to ensure Duluth's future as a thriving, sustainable and walkable community by developing and implementing plans and land use regulations. The Planning and Construction Services Department consists of the Planning Division and the Construction Services and Inspection Division working together to make the City of Duluth a desirable and safe place to live by developing and implementing plans, and land use and building regulations. The Planning and Construction Services Department, along with the Engineering Division, comprise the One Stop Shop – the customer gateway to the City of Duluth for building permits and plan review of proposed development activities.

Values

The Planning staff strives to be:

- ❖ Professional;

- ❖ Efficient; and

- ❖ Transparent in our work.

Business/Program Structure

Division History

The functions of the Planning Division are provided for in Chapter 2, Article II of the City of Duluth Legislative Code. Minnesota Statutes 462.353 grants municipalities their authority to plan. Subdivision 1 states, "A municipality may carry on comprehensive municipal planning activities for guiding the future development and improvement of the municipality and may prepare, adopt and amend a comprehensive municipal plan and implement such plan by ordinance and other official actions in accordance with the provisions of sections 462.351 to 462.364." Cities regulate land use through three basic tools: the comprehensive plan, the zoning ordinance and the subdivision ordinance.

On June 26, 2006, the Duluth City Council unanimously adopted the Comprehensive Land Use Plan, the policy document that describes the City's 20-year vision for growth and development. The Comprehensive Plan is the foundation upon which Duluth's regulatory tools, land transactions and capital improvement programs rest. Much of the work of the Planning Division centers around implementing the Comprehensive Plan.

On August 16, 2010, the City Council unanimously adopted new zoning regulations. The Unified Development Chapter of the City of Duluth Legislative Code (UDC) implements the Comprehensive Land Use Plan and was developed following an 18-month, community-involved planning process. The UDC is the official body of rules and regulations that guides land use and development in the City of Duluth. It contains the city's zoning and subdivision regulations. The UDC is the city's first, new zoning code in 50 years and includes contemporary approaches to neighborhood revitalization, mixed uses and natural resource protection. The UDC went into effect on November 19, 2010, at which time all zoning converted to new UDC zone districts.

Organization of the Division

The Planning Division is organized into two main program areas: current planning and long range planning. Each program area utilizes a team approach to its workplan. Teams are led by a Senior Planner and include a Planner II. There are also two other Planner IIs in the Planning Division. One of them is assigned the task of Zoning Coordinator and works as the go-between the Construction Services and Planning Divisions as part of the One Stop Shop. The Zoning Coordinator is responsible for zoning compliance and enforcement activities. The other Planner II is assigned the role of Special Projects Planner and works on initiatives in both current planning and long range planning. Administrative functions are led by the Planning Manager and include support provided by the Administrative Information Specialist. The Planning Manager establishes the budget, sets the workplan and supervises staff.

All of the planners' assignments are temporary in that they may be changed at any time by the Planning Manager. Rotating staff assignments and utilizing a team approach to the workplan ensures that institutional knowledge is shared amongst various staff people and not the sole ownership of any one individual. It also keeps work interesting and new. It is anticipated that the two Senior Planners will remain in their present assignments until the UDC rezoning process is completed in 2012, at which time they may be reassigned to the other program area. The Planner II assignments will remain in place through the end of 2011, after which they will be evaluated for possible reassignment. Over time, each

Planner II will be offered the option to lead a small area plan or other planning initiative, thereby increasing their skill level and leadership skills. This approach also provides them with the necessary experience to be able to advance to a Senior Planner position, when that opportunity arises.

The role of Zoning Coordinator (ZC) is a new responsibility for the Planning office. Historically, it has been a separate position and function of Building Safety. With the impending retirement of the person in that position in early 2011, the City decided that the job responsibilities were very similar to those of a Planner II and that with limited resources, it would be advantageous to combine those duties with the Planner II job description, which is exactly what happened. A benefit to having the ZC responsibilities covered by a Planner II is that there is a pool of planners now available to perform this work, instead of just one individual. This is especially important when it comes to zoning enforcement activities, which the City has not been proactive about in the past. It has generally been a complaint driven system. Also, there has been no effort made to ensure that Planning Commission/City Council approved plans were being constructed accordingly. Once the Planner II assigned to this role completes his analysis of the zoning coordinator tasks and establishes a new organizational approach and effective zoning enforcement system, he will begin training the other Planner IIs on all of the ZC duties.

The ZC is a critical role in the One Stop Shop. On a daily basis, the ZC provides information or conducts research on more complicated inquiries to the Land Use Technicians who staff the front counter of the One Stop Shop. The ZC participates in daily Building Safety triage meetings, reviewing building permit applications to make sure that all of the zoning requirements and standards have been met and that any necessary approvals or reviews are in place before a building permit is issued. The ZC also does a cursory review of land use applications for content, flagging any potential issues or concerns before routing to the Planning office for a more thorough review and analysis. The ZC participates in both weekly Building Safety pre-application meetings and bi-weekly Planning pre-application meetings with customers.

All aspects of the sign permitting process are the purview of the ZC, from answering basic questions and issuing permits to inspection and enforcement activities. The ZC drafts zoning compliance letters to lenders verifying zoning conditions as well as to multiple state and county agencies who issue licenses for various matters. The ZC also serves on the Airport Joint Zoning Board. Equally important to all of the front-end work of the ZC is his role in zoning enforcement activities, making certain that all permitted projects are constructed based on their approved plans.

To summarize the Planning Division's organizational structure:

Current planning focuses on the day-to-day activities of planning and zoning. The principal activities include the following: assisting residents, development professionals and businesses develop or redevelop their property; processing land use applications; staffing the Duluth City Planning Commission; and drafting zoning regulations. Current planning staff coordinate and interact regularly with staff in Building Safety and Engineering on building permits and plan review. Historic preservation activities led by the Historic Preservation Commission, wetland-related reviews and approval by the Technical Evaluation Panel, and management of tax-forfeited lands are also part of current planning.

Long range planning is responsible for the creation, modification and implementation of the City's Comprehensive Land Use Plan. Long range planning staff work with the community to develop detailed studies of specific areas of the city. These studies are referred to as small area plans. Since 2009, two such plans have been completed by the Planning Division -- the Central Entrance-Miller Hill Small Area Plan (2009) and the Bayfront District Small Area Plan (2010). Both plans were unanimously adopted by the Duluth City Council.

Percentage of Expenses by Program Area

4%
48%
48%

- Administration
- Current Planning
- Long Range Planning
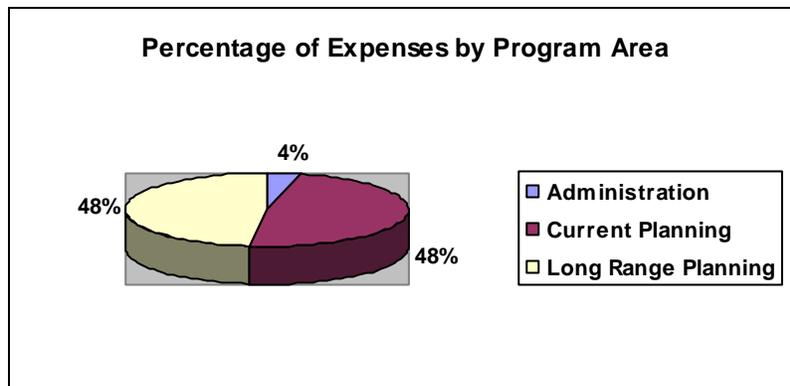
Key Operational Functions

Current planning staff implement the UDC on a daily basis by working with customers to ensure that development or redevelopment in Duluth is done in compliance with the City's land use regulations. Over the next year, they will be initiating a 6-month code maintenance effort of the new UDC followed later this year by a process to review and develop new sign standards. Staff in long range planning are currently leading a multi-year effort to bring existing zoning into compliance with the Comprehensive Land Use Plan (UDC Rezoning Process). Starting this summer, the Special Projects Planner will work

with the community to develop one of three small area plans that will be initiated over the next few years. The purpose of the Higher Education Small Area Plan is to balance the needs of the higher education institutions with the needs of surrounding neighborhoods. Long range planning staff are also coordinating with ISD 709 – Duluth Public Schools on amending the Comprehensive Plan to implement the school district's Long Range Facilities Plan.

Organizational Chart

[Included on page 7]

Significant Trends and Changes

With new zoning regulations in place and an improving economy, the Planning office should see an increase in the number of development and

> **What Makes a Neighborhood Walkable?**
> **A center:** Walkable neighborhoods have a center, whether it's a main street or a public space. **People:** Enough people for businesses to flourish and for public transit to run frequently. **Mixed income, mixed use:** Affordable housing located near businesses. **Parks and public space:** Plenty of public places to gather and play. **Pedestrian design:** Buildings are close to the street, parking lots are relegated to the back. **Schools and workplaces:** Close enough that most residents can walk from their homes. **Complete streets:** Streets designed for bicyclists, pedestrians, [automobiles] and transit.
> Source: www.walkscore.com

redevelopment projects being proposed, which would mean an increase in the number of land use applications. Already there has been an uptick in development activities for the health care industry. An important trend related to health is that of walkablity. The Planning Division is committed to ensuring that future development in Duluth contributes to a more walkable community. According to walkinginfo.org, the benefits of walking can be expressed in terms of improved environmental and personal health, reduced traffic congestion, enhanced quality of life, and economic rewards.

With an emphasis on the built form and improved walkability, new form districts and building design standards in the UDC will make certain that future developments contribute to an environment that is pedestrian-friendly. Walkable neighborhoods are a return to the traditional urban form that was so prevalent in cities across the U.S. during the first half of the last century. It was replaced with a focus on the automobile and the desire to move traffic quickly through and out of cities. We now acknowledge the importance of people in defining places. Becoming a more walkable city will position Duluth as an attractive community for younger families, retiring seniors, graduating local college students, entrepreneurs and environmentally conscious, business start-ups.

Organizational Chart Planning and Construction Services Spring 2011

- Construction Services and Inspection Division - Building Safety
- Planning and Construction Services
- Planning Division

- Fire Chief
- Chief Admin Officer

- Deputy Fire Chief

- Construction Inspector *Designated as Municipal Building Official
- Administrative Support (3)
- Permit Process Supervisor
- Planning Manager
- Administrative Support

- Construction Inspectors (3)
- Plans Examiner Leadworker
- Senior Planner Current Planning
- Senior Planner Long Range Planning

- HVAC Inspector

- Plumbing Inspectors (2)
- Land Use Technicians (2)
- Plans Examiners (2)
- Planner II Zoning Coordinator
- Planner II Current Planning
- Planner II Special Projects
- Planner II Long Range Planning

- Electrical Inspectors (2)

* The municipal building code official certified under Minnesota Statutes, section 16B.65, subdivisions 2 & 3. The building official shall enforce the code, render interpretations of the code and adopt policies and procedures in order to clarify its application. MN Rules 1300.0110.

SWOT Analysis

Internal Strengths	Internal Weaknesses
- Dedicated staff who care about the product from the division - Working with adequate resources to provide a high level of customer service - Implementing the Comprehensive Plan by completing the UDC and developing two small area plans - Public feels that they have access to staff and planning data - Staff has worked through a number of funding cycles and understands resource dynamics - Good "inter" and "intra" department relations	- Limited physical space - Lack of availability locally of formal on-going staff development opportunities - Archaic file tracking and file storage systems - Need for higher level of GIS efficiency and competency - Limited participation in policy development, which has led to poor decision making - Lack of understanding of planning functions and abilities by some "inter" departments
External Opportunities	External Threats
- Implementation of new permitting/ project tracking software; access to GIS staff and data - Implementation of the Comp Plan - Requirement that all public land transactions and development be consistent with Comprehensive Plan - Good planning will lead to better policy development	Council decisions on land use matters that are not consistent with the Comprehensive Plan or the UDC creates precedence that weakens planning

III.   OPERATIONS

Revenues

The Planning Division is funded through the General Fund. Revenue is generated from land use application fees; fees were adjusted in 2010 so that they were more in-line with those being charged by other Minnesota cities as well as to establish new application fees per the UDC. Historically, fees have accounted for approximately 3% of the total Planning budget. It is anticipated that in the coming years the new fee structure will account for a larger percentage of the budget, but it is premature at this time to know by how much.

Personnel

As stated earlier, the Planning Division consists of a Manager, Administrative Information Specialist and six planners (two Senior Planners and four Planner IIs). In just over two years, the Planning Division has undergone a major transformation. The office has been reorganized, staffing levels increased and a team of professional planners assembled that are motivated and excited about planning for Duluth's future. Because of the quality of the work that has been completed since 2008 (i.e., development of the UDC and completion of two small area plans), planners are now viewed as leaders in the community and valued for their knowledge and expertise. As of April 2011, the Planning Division is fully staffed; staffing levels are anticipated to remain stable for the next few years. Having said that, there are a number of issues that need to be resolved to ensure that the City is able to attract and retain quality planning staff into the future.

All professional planning staff will strongly be encouraged to attend the statewide American Planning Association (APA) conference, held every September. It's an opportunity for planners to learn new tools, keep current on best practices in the planning field and network with other Minnesota planners. The national APA conference, held every spring, offers a breadth of information and caliber of professional sessions not provided at the state level, but costs to attend are much greater. Therefore, attendance at the national APA conference will be offered to individual planners every two to three years, depending on its location, in an effort to keep travel costs to a minimum. For example, the 2012 national APA conference will be held in Los Angeles, which would be very expensive to attend, but the 2013 conference

in Chicago would be a more manageable expense. The opportunity to attend the national conference will only be offered to planners who are members of APA's professional institute, the American Institute of Certified Planers (AICP), and depending on costs, only a few planners may be able to attend in any given year. Currently three of the six planners, along with the manager, are AICP certified.

In addition to the opportunity to attend the national APA conference, the City will also pay one-time costs for the AICP exam and associated preparatory training for professional planning staff that are not currently AICP certified. Once AICP certification is obtained, all professional planners are required to engage in mandatory continuing education. AICP members must earn a total of 32 Certification Maintenance (CM) credits (1 hour = 1 CM credit) within their two-year reporting period. Toward this end, the City pays annual APA and AICP membership dues and expenses associated with attending the state and national APA conferences. The City also provides planners with the opportunity to participate in free planning webinars offered by APA. The training program and certification requirements for the Administrative Information Specialist position are regulated by the Joint Apprenticeship Training Committee (JATC).

The job descriptions for the professional planning staff (Planner I, Planner II and Senior Planner) currently include planners employed in both the Community Development and Planning Divisions. The work of the planners in either of these divisions is very different from that of the other division. The job classifications should be separated out and rewritten to reflect the type of work performed in each of the divisions.

The minimum education and experience requirements for the Senior Planner (Planning) and Planning Manager positions should also be revised. The Senior Planner position should require a Master's degree in Planning or a closely related field and four years of experience; or a Bachelor's degree in Planning or a closely related field, six years of experience and AICP certification. The Planning Manager position should require a Master's degree in Planning or a closely related field, eight years of experience and AICP certification.

Finally, the workspaces in Planning are made up of cubicle partitions that are over twenty years old and do not provide the level of privacy required of professional planning staff. Research shows that the needs and expectations of professional staff, also referred to as knowledge workers, differs from that of other employees. Knowledge workers are described as employees who use their expertise in solving unique problems. Knowledge workers, research shows, need areas to collaborate as well as individual

spaces to concentrate. When the Planning workspaces are updated as part of the City Hall Master Plan, a system such as Herman Miller's V-Wall Movable Walls should be purchased that will meet the needs of the professional planning staff. A movable wall system of glass, vinyl and veneers is an improvement to the antiquated cubicle partition systems of the 20[th] century in that it provides private workspaces, yet is open visually, costs less and is a more adaptable system than the immobile offices currently occupied by the city attorneys and business development staff. Plus, glass panel partitions provide more natural light into all workspaces and research shows that daylighting supports workplace productivity.

Key Expenses

Key expenses are salaries/benefits, which account for 89% of the total budget in 2011.

Location & Facility

The Planning Division was relocated to the 2[nd] floor of City Hall in fall of 2010 to be in closer proximity to the other division/department partners in the One Stop Shop. We now have access to one of the Fire Department's vehicles, a 1999 Mercury Sable, for zoning enforcement activities.

Legal issues

The **Municipal Planning Act** (State Statute 462.351) provides the framework and road map that the City of Duluth must follow for land use regulation. As stated earlier, cities regulate land use through three basic tools: the comprehensive plan, the zoning ordinance and the subdivision ordinance. The comprehensive plan helps the city look to the future, as it guides current development in administering its zoning ordinance and subdivision ordinance. The Municipal Planning Act establishes a uniform procedure for adopting or amending and implementing a zoning ordinance. Zoning regulates the use and density of city zones for commercial, residential and industrial purposes, both segregating and combining uses where appropriate to prevent congestion, environmental contamination and other negative human health hazards. The subdivision ordinance regulates the division of land into smaller lots and the creation of blocks and neighborhoods with safe streets, appropriate environmental features and character. In addition to the Municipal Planning Act, the Planning Division is also responsible for administering a number of other state regulations.

The **60-Day Rule** is a state law (State Statute 15.99) that requires cities to approve or deny a written request relating to zoning within 60 days, or it is deemed approved. The underlying purpose of the rule is to keep governmental agencies from taking too long in deciding land use issues. A zoning request must be submitted in writing on the city's application form. The city may reject as incomplete a request not on the city's form, if the request does not include information required by the city. The request is also considered incomplete if it does not include the application fee. The 60-day time period does not begin to run if the city notifies the landowner *in writing* within 15 business days of receiving the application that the application is incomplete. The city must also state what information is missing. The law allows a city the opportunity to give itself an additional 60 days (up to a total of 120 days) to consider an application, if the city follows specific statutory requirements. In order to avail itself of an additional 60 days, the city must give all of the following information to the applicant: written notification of the extension before the end of the initial 60-day period; reasons for the extension; and the anticipated length of the extension.

The Planning Division is responsible for administering state wetland regulations per the State **Wetland Conservation Act** of 1991. WCA requires local government units to do the following: review and approve wetland delineations and determinations, wetland exemption/no-loss applications and wetland replacement plan applications; coordinate and arrange the Technical Evaluation Panel (TEP) meetings for pre-application reviews and other WCA-related items, and send application and decision notices to the TEP; enforce replacement wetland monitoring requirements, review monitoring reports and certify replacement wetlands; and work with the Minnesota Department of Natural Resources and Soil and Water Conservation District (SWCD) to identify and enforce WCA violations. Beginning in 2010, the Planning Division contracted with the South St. Louis SWCD to locally administer WCA. Current planning staff's involvement is limited to coordinating and attending the monthly TEP meetings. Staff no longer participates in the TEP field reviews.

Floodplains receive floodwaters and the sediment they carry when stream channels overflow. Minnesota's **Floodplain Management Act** of 1969 provides the State authority to regulate land uses on floodplains to minimize potential flood damage. The Act requires the Minnesota Department of Natural Resources (DNR), in conjunction with other state agencies, to map floodplains, determine the probability of different flooding scenarios, identify measures to mitigate against flood damage and enforce compliance among local governments responsible for adopting local floodplain zoning

ordinances. When data availability permits development of floodplain maps, local communities must adopt floodplain zoning ordinances. The effective date of the flood boundary and floodway map for Duluth is February 1, 1980. The National Flood Insurance Program requires flood insurance policies on new structures in floodplain areas recognized by the Federal Emergency Management Agency (FEMA) prior to granting loans. FEMA, the agency responsible for administering federal flood relief programs, maintains a database on lands vulnerable to flooding in the United States.

In 1969, the Minnesota State Legislature passed the **Shoreland Management Act** to ensure preservation and wise development of land bordering lakes and rivers. The DNR Division of Waters, Land Use Management Section, administers the Shoreland Management Program. The Act defines river shorelands as land within 300 feet of a public watercourse or the landward extent of the delineated floodplain, whichever is greater. The Act directed the DNR to develop standards and criteria for the use, subdivision and development of shorelands. Counties and municipalities with shoreland areas covered by the Act, must adopt and enforce shoreland zoning ordinances that meet or exceed the minimum standards developed by the DNR. The DNR reviews local ordinances to ensure that the minimum standards are met. If a county or municipality fails to adopt a satisfactory ordinance, the DNR retains the authority to require adoption and implementation of the Model Shoreland Ordinance.

The Planning Division is responsible for locally administering the Minnesota **Environmental Policy Act** of 1973, which established a formal environmental review process to provide information about the environmental impacts of projects before necessary permits or approval are issued. The environmental review process operates according to rules adopted by the Minnesota Environmental Quality Board (EQB), but is carried out by a local government unit (termed the Responsible Governmental Unit, e.g., RGU). The Duluth City Planning Commission is the RGU for the City of Duluth and the Planning Division staffs the Planning Commission. Environmental review is required for a wide variety of projects, which are large enough to exceed thresholds established by the EQB rules. Since 2009, the Planning Division has conducted three Environmental Assessments Worksheets (EAW). An EAW is a document designed to provide a brief analysis and overview of the potential environmental impacts for a specific project and to help the RGU determine whether an Environmental Impact Statement is necessary.

Tax Forfeited Lands Pursuant to Minnesota Statutes 282.01, Subdivision 1, parcels of land becoming the property of the State of Minnesota in trust through forfeiture for nonpayment of real estate taxes must be classified by the county board of the county

in which they are located. In Duluth, the St. Louis County Board is the body that makes the ultimate decision about the status and disposition of all tax forfeited lands. The St. Louis County Land Department is a self-funded department that makes recommendations to the County Board and prepares parcels for sale. In rural areas, parcels with timber resources are held back from sale and managed for timber sales. In urban areas, the St. Louis County Land Department and County Board generally try to sell tax forfeited land.

When a parcel goes into forfeiture, it is classified as either conservation or non-conservation. Lands classified conservation are those properties for which there is potential for some public purpose. The City can claim tax forfeited property at no cost prior to it being offered for public sale by requesting a conditional use deed from the State with approval of the County Board. The conditions on a use deed require that the local government identify the public use to which the property will be put, and the property is then restricted to that use in perpetuity. Legislative changes to State Statute 282.01, which became effective on July 1, 2010, limit the application of conditional use deeds and require that all property conveyed under a use deed be released from the use restriction and the possibility of reversion on the later of January 1, 2015; or, 30 years from the date the deed was issued. The Planning Division along with the City's Property Management Division will work closely with the County Land Department on the reversion issue. The new, more narrowed application of use deed leaves out open space, drainage and other natural preservation uses for which use deeds have been commonly sought. Those uses are now served by a new provision allowing the sale of conservation land to local governments for less than market value. The City will need to take a closer look at lands that fit into this category and determine how these environmentally-important areas, which may include drainages vital to the city's storm water management system, are maintained in the future. This review and analysis must be part of a robust public process. There are approximately 7,000 acres of tax forfeited lands in the City of Duluth; 3,000 of which have conditional use deeds.

Historic Preservation Activities The City's historic preservation activities are certified by Minnesota's State Historic Preservation Office (SHPO) as a Certified Local Government (CLG). According to the Minnesota SHPO's Procedures Manual, "the CLG program ensures that historic preservation issues are understood and addressed at the local level and are integrated into the local planning and decision-making process at the earliest possible opportunity." The Duluth Historic Preservation Commission (HPC) is responsible for locally administering historic preservation activities, which includes making

recommendations on historic preservation sites and districts to the City Council, and reviewing and approving historic construction and demolition permits. SHPO has repeatedly expressed concern that the City is not providing adequate staff support to the HPC to ensure that historic preservation activities are managed appropriately.

It is important to note that the State of Minnesota does not provide any financial support to local governments for any of the above-mentioned activities. Also, the recent changes to the tax-forfeited land process limit the types of uses that cities can request for free-conveyance, and will bring into question the status of many use deeds that were free-conveyed under the old system. Finally, while CLG status enables local governments to apply to SHPO for federal matching grants for local preservation projects, those monies cannot be used for operating expenses.

Key Customers

The One Stop Shop is the primary customer gateway for all permitting and zoning related inquiries and activities. Planning's customers include residents and local businesses as well as development professionals and companies wanting to locate to Duluth. Opportunities for interaction with customers occurs at many levels starting with inquiries made via phone, email or walk-ins to the office; during bi-weekly pre-application meetings with people interested in developing or redeveloping their property; when sending out notices to nearby property owners on proposed development activities that will be reviewed at monthly City Planning Commission meetings; and at public meetings as part of a formal planning process, i.e., development of the Comprehensive Plan, UDC, small area plans, etc.

Key Suppliers

Office supplies are primarily purchased at Office Max.

Capital Expenditures

In addition to the workspace upgrades described above, staffs' computers should be replaced on a five-year cycle. Deficiencies in email system archiving and hardware/software compatibility also need to be resolved. In summer 2011, the lease for the Planning Division's copier/printer expires at which time another high-performing, efficient model should be acquired.

IV.   WHAT DO WE WANT TO ACHIEVE/WHAT DO WE WANT TO BECOME?

Vision

The Planning Division works with the community – residents, development professionals and businesses – to ensure that development and redevelopment in Duluth is sustainable and compatible with surrounding neighborhoods and the natural landscape; and develops thoughtful plans to further the goals and principles established in the Comprehensive Land Use Plan.

Five-Year Goals & Objectives

Goal	Objective	Tactics	Measurement
Current Planning: Implement the UDC	Process Land Use Applications	Assist customers develop or redevelop their property	# of Pre-Application Meetings # of Land Use Applications by Type # of Internal Plan Reviews by Current Planning Staff # of Staff Recommendations Approved by the Planning Commission or City Council
Current Planning: Maintain the UDC	Review and update the UDC to ensure its ability to achieve the type of development prescribed in the Comprehensive Plan	June 2011 – Conduct 6-month code update; annual thereafter 2011/2012 – Revise sign standards	# of Participants in Process Recommended Approval of UDC Text/Map Amendments by Planning Commission Approval by City Council
Current Planning: Enforce the UDC	Establish Zoning Enforcement Program	Aug 2011 – Develop Zoning Enforcement Program Fall 2011 – Train staff on Program Elements	# of Sites Investigated for Zoning Compliance # of Resolutions to Zoning Violations

Long Range Planning: Implement the Comprehensive Land Use Plan	Bring existing zoning into compliance with the Comprehensive Plan	2010-2012 – UDC Rezoning Process	# of Participants in Process # of UDC Map Amendments Recommended for Approval by Planning Commission and Approved by City Council
Long Range Planning: Implement the Comprehensive Land Use Plan	Prepare small area plans Conduct at least one small area plan annually	2011 – Higher Education 2012 – Gary/New Duluth 2012/2013 – Park Point 2014/2015 – See next tactic regarding update to Comprehensive Plan	# of Participants in Process Recommended Adoption of Small Area Plan by Planning Commission Adoption by City Council
Long Range Planning: Update the Comprehensive Land Use Plan	Revise and Modify the Comprehensive Plan every 10 years (current Comprehensive Plan was adopted in 2006)	Initiate update process in 2014/ 2015 for completion in 2016 Include citywide transportation element	# of Participants in Process Recommended Adoption of Comprehensive Plan by Planning Commission Adoption by City Council
Planning Administration: Implement the Comprehensive Land Use Plan	Uphold and Further the Comprehensive Plan's Principles and Policies	Continue to participate in Complete Streets Implementation Participate in the preparation of Capital Improvement Program Participate in the Disposition of Public Lands Process	Miles of new sidewalks, bike lanes and bike routes constructed/reconstructed Amount of capital expenditures based on Comp Plan conceptual staging plan, tier levels Acres of public land sold based on Comp Plan future land use categories

V. HOW ARE WE GOING TO GET THERE?

Major Issues and Recommended Solutions

Issue 1: Implementing the Comprehensive Land Use Plan by completing the UDC and developing two small area plans. **Solution:** Planning needs to build on its prior success by initiating regular updates to the UDC (Code Update and Maintenance), completing three additional small area plans in the next few years (Higher Education, Gary/New Duluth and Park Point), and bringing existing zoning into compliance with the Comprehensive Plan (UDC Rezoning Process).

Issue 2: Archaic file tracking and file storage systems. **Solution:** The City is in the process of implementing new permitting and project tracking software, which should be available for staff utilization in mid- 2011. The City needs to develop and implement an electronic file storage system and preserve files currently stored off-site.

Issue 3: Need for higher level of GIS efficiency and competency. **Solution:** Access to GIS staff and data is helpful but more formalized training for Planning staff is needed along with customized mapping abilities. The City also needs to provide customer access to GIS mapping so that the public has the ability to create their own maps utilizing city data as well as to query data by address.

Issue 4: Limited participation in policy development, which has led to poor decision making; Lack of understanding of planning functions and abilities by some "inter" departments. **Solution:** A better understanding of the purpose and relationship of the Comprehensive Land Use Plan to the UDC by those in City Hall, along with participation by the Planning Manager in policy development, will ensure that the quality of development prescribed in the Comprehensive Plan, and so desired by the community, is actually achieved. This includes involvement in the development of the Capital Improvement Program, public land disposition decisions and road construction projects as part of the Complete Streets Initiative.

VI.   WHAT RESOURCES ARE WE GOING TO USE?

Finance Plan

[Included on page 20]

Workforce Plan

In an effort to establish a professional Planning office, the City will provide incentives to staff to encourage them to achieve and maintain AICP certification. To attract and retain younger workers, it will be important for the City to offer flexibility in work schedules, as well as the opportunity to work from home. Finally, the Planning Manager engages staff in annual employee performance evaluations, the purpose of which is to review progress on current job duties, develop goals for the coming year and set measurable performance standards.

Technology Plan

As stated earlier, the City is in the process of implementing new permitting and project tracking software, which should be available for staff utilization in mid- 2011. A secondary component of the new software is the online citizen portal. Duluth is fortunate to have an engaged community interested in planning issues. Improved web resources will correlate with increased public participation in planning processes. The city's web site should be reviewed for ease of use with newer technology forms such as smart phones. For example, Planning staff have found the left hand flyout navigation menus difficult to use on smart phones.

Space Plan

The Minnesota Government Data Practices Act (Minnesota Statutes, Chapter 13) regulates the storage, maintenance and access to government data. The Data Practices Act applies to the Duluth City Planning Commission. Currently, Planning Commission files from the last twenty years are stored in lateral filing cabinets in the Planning office. Pre-1990 Planning Commission files are in cold storage in the City's storage facility on Rice Lake Road. It is believed that the condition of those files has been compromised. It is imperative that the City pursue an electronic filing system as soon as possible to guarantee the continued safekeeping of these important documents.

City of Duluth
Planning Division
2011-2012 Business Plan
Budget to Actual Financial Statement

	2009 Actual	2010 Actual	2011 Budget	2012 Projection	2013 Projection	2014 Projection	2015 Projection	Variance $						Variance %					
								2009 vs 2010	2010 vs 2011	2011 vs 2012	2012 vs 2013	2013 vs 2014	2014 vs 2015	2009 vs 2010	2010 vs 2011	2011 vs 2012	2012 vs 2013	2013 vs 2014	2014 vs 2015
Revenues																			
Planning/Zoning Fees	8,786	8,111	10,000	10,000	10,000	10,000	10,000	(675)	1,889	-	-	-	-	-8%	23%	0%	0%	0%	0%
Misc Sales	24,004	720	-	-	-	-	-	(23,284)	(720)	-	-	-	-	-97%	-100%	0%	0%	0%	0%
Grant Reimbursement	-	40,000	-	-	-	-	-	40,000	(40,000)	-	-	-	-	0%	-100%	0%	0%	0%	0%
Total Revenues	32,790	48,831	10,000	10,000	10,000	10,000	10,000	16,041	(38,831)	-	-	-	-	49%	-80%	0%	0%	0%	0%
Expenditures																			
Salaries	449,835	348,380	397,600	409,528	421,814	434,468	447,502	(101,455)	49,220	11,928	12,286	12,654	13,034	-23%	14%	3%	3%	3%	3%
Benefits	109,316	100,930	139,900	144,097	148,420	152,873	157,459	(8,386)	38,970	4,197	4,323	4,453	4,586	-8%	39%	3%	3%	3%	3%
Other Expenditures	215,968	105,295	68,500	70,555	72,672	74,852	77,097	(110,673)	(36,795)	2,055	2,117	2,180	2,246	-51%	-35%	3%	3%	3%	3%
Total Expenditures	775,119	554,606	606,000	624,180	642,905	662,193	682,058	(220,513)	51,394	18,180	18,725	19,287	19,866	-28%	9%	3%	3%	3%	3%
Net Expenditures	(742,329)	(505,775)	(596,000)	(614,180)	(632,905)	(652,193)	(672,058)	236,554	(90,225)	(18,180)	(18,725)	(19,287)	(19,866)	-32%	18%	3%	3%	3%	3%
Staffing Levels (FTE's)	6	6	7	7	7	7	7	-	1	-	-	-	-	0%	17%	0%	0%	0%	0%

Assumptions: 2012-2015 Expenditures are adjusted by annual inflation rate of 3%

Staffing Levels (FTE's) for the Planning Division does not include the Zoning Coordinator position which has been budgeted in Building Safety. Monies for this position may be reallocated to Planning.

VII.   Management and Organization

Management Team

The Planning Manager leads the management functions for the Planning Division with input from the Senior Planners for current planning and long range planning. The Planning Manager is responsible for establishing the budget, setting the workplan and supervising staff. The Planning Manager reports to the CAO, who has final authority over the Planning Division.

Succession Plan

One of the two Senior Planners could retire in the next five years. The opportunity for promotion to his position will be available to all qualifying Planner IIs.

Outside Professional and Advisory Support

- Duluth City Council – Sets land use policy and framework for all planning and zoning decisions. They review and approve small area plans and decide street vacations, rezonings and amendments to the UDC and Comprehensive Land Use Plan.

- Duluth City Planning Commission – Reviews and approves matters related to physical development of the City. They also act as the board of zoning adjustment, responsible for hearing appeals for exceptions or variances to zoning regulations.

- Duluth Historic Preservation Commission – Leads historic preservation activities by working to preserve historic resources in the City of Duluth.

- The Planning Division contracts with the South St. Louis Soil and Water Conservation District to locally administer wetland-related activities as required by the Minnesota Wetland Conservation Act.

- When conducting small area plans or other planning initiatives, the Planning Division may contract for outside professional consultant services to provide real estate market studies, economic development analysis and conceptual drawings.

- Legal counsel for Planning is provided by Assistant City Attorney, Alison Lutterman.

- Dave Montgomery, as Chief Administrative Officer, serves as the Director of Planning.

VIII. Appendices

- "QuickNotes - The Five Strategic Points of Intervention," by the American Planning Association's Planning Advisory Service, 2011.

- "The 2011 Community Preference Survey, Executive Summary: What Americans are looking for when deciding where to live," conducted for the National Association of Realtors, March 2011.

- "The New American Dream: Denser, Smaller, Closer, But Still Private," by Richard Florida, The Atlantic, April 2011.

- "No McMansions for Millennials," by S. Mitra Kalita and Robbie Whelan, The Wall Street Journal, January 13, 2011.

- "Walkability Checklist," by the U.S. Department of Transportation, Federal Highway Administration and National Highway Traffic Safety Administration, U.S. Environmental Protection Agency, SafeRoutes National Center for Safe Routes to School, and Pedestrian and Bicycle Information Center.

- Memo on "Office Design for Professional Staff in One Stop Shop," by Cindy Petkac, February 3, 2010.

- Fact Sheet on "Daylight Dividends, Daylighting Resources – Productivity," sponsored by the California Energy Commission, Efficiency Vermont, North Carolina Daylighting Consortium, NYSERDA, Lighting Research Center, Northwest Energy Efficiency Alliance, and U.S. Department of Energy.

- Planning Division 2010 Performance Measurements

The Five Strategic Points of Intervention

Have you ever had difficulty explaining to your family, friends, or colleagues what planning is or what planners do? Or why the benefits of good planning have enticed you to become involved in planning as a staff person, a new planning commissioner or board member, an engaged citizen, or an advocate for a particular planning issue? Describing community planning and its benefits can be a daunting task. Your audience may have an incomplete understanding of the subject, or worse, the image they have of planning may be limited to the permit desk at city hall.

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Explaining to a new mayor, a business leader, a citizens group president, a state or federal official, or an interest group partner what planning is and what planners do can be even more challenging. How can you distill all the benefits of sound community planning into a coherent, perfect nugget of knowledge that clearly describes your planning department's special skills and aptitudes for getting the community to identify community challenges and take action that will lead to a more sustainable future?

You would like to explain how your planning director and staff are strategically well-placed to help create communities of lasting value. You want to show how good planning helps create communities that offer better choices for where and how people work and live. You want to convince people that good planning offers the best hope for meaningfully engaging civic leaders, business interests, and citizens in creating communities that enrich people's lives.

So why does planning matter? Your answer should go well beyond the usual response—that planning approaches problems comprehensively (everything is related to everything else), that it has a long-range perspective (20 to 50 years), and that it deals with unique place-based issues (this place is like nowhere else on earth). Planners, as the torchbearers of planning, matter because they are uniquely positioned. They are key players in the five strategic points of intervention. And their actions and recommendations can have extremely powerful effects on the future of cities, towns, counties, and regions.

THE FIVE POINTS

Planners engage in a great many activities, but those that hold the most promise for making a difference can be boiled down to five sets of critical enterprises. These constructs can be useful for explaining to the uninitiated what planners do and what planning is. You might try incorporating them into your response the next time you hear, "So tell me what planning is all about. And why does it matter, anyway?" The five points should be familiar territory to any seasoned community planner.

Long-range community visioning and goal setting. When planners engage residents, business people, and interest groups in long-range visioning exercises, they help the community determine the values that should undergird the plans, implementation tools, and public investments it undertakes. Setting broad goals and objectives for a jurisdiction is often the first, best opportunity a community has to flag a problem for serious attention later in the planning process. These exercises often involve analyzing alternative policy scenarios, which helps decision makers visualize the effects of future actions or the effects of not taking action.

APA
American Planning Association
Making Great Communities Happen

Plan making. Planners help towns, cities, counties, and regions prepare all types of plans: jurisdiction-wide comprehensive plans (sometimes known as general or master plans); subarea plans (such as neighborhood, downtown, and corridor plans); and functional plans (such as transit, highway, sewer, water, housing, public health, economic development, and open space plans). Plans assess existing conditions and trends, describe recommended actions, assign responsibility and costs for implementation, and include benchmarks for measuring outcome progress. Plans set the framework for recommended implementation tools—standards, policies, and incentives, and future public and private investments.

Standards, policies, and incentives. Planners conceive and draft standards, policies, and incentives that have an enormous influence on what, where, and how things get built, and what, where, and how land and buildings get preserved. Zoning, subdivision regulations, design guidelines, landscaping and street tree standards, signage regulations, transit-oriented development ordinances, street and sidewalk standards, tax policies, and inclusionary housing regulations are but a few examples of the "carrots and sticks" that can be used effectively to build places of lasting value. Standards, policies, and incentives can have either a positive or a negative effect on community character, environmental integrity, energy use, climate change, housing choice and affordability, the economy, public health, transportation, and yes, sustainability.

Development work. Planners often have an opportunity to influence the outcomes of development or redevelopment projects. For one thing, they can serve as leading team members on public-private partnerships that result in mixed use developments, brownfields development, downtown revitalization, affordable housing, and transit-oriented development. Planners also take a leading role in reviewing and making recommendations on a wide variety of private development plans. They ensure that a development submittal is complete—that it has all the information needed to allow a planning board or other permit-granting body to make an informed decision—and that it meets or exceeds adopted development standards. A thorough site plan review increases the likelihood that the proposal will result in an outcome worthy of the community.

Public investments. Towns, cities, and counties undertake major investments in infrastructure and community facilities that support private development and quality of life in their communities. In many ways the capital improvements program is the most important tool for planners but one that is often overlooked. Planners' influence over the location and design of sewer and water facilities, transit, streets, sidewalks, bikeways, schools, libraries, police and fire facilities, parks and open space, and other publicly funded investments is substantial. For instance, a seemingly innocuous recommendation about where sewer lines should go greatly influences the pattern and density of future development, which in turn affects car dependency, feasibility of transit, active living and community health, and housing affordability.

The Five Strategic Points of Intervention are not intended to be viewed as sequential "steps" in the planning process, for in most communities all five points of intervention are being addressed at the same time. Nor are the five points intended to be undertaken without a number of critical additives, such as a robust community engagement process and a continuous effort to benchmark progress.

While the efficacy of the five strategic points of intervention may be obvious to many working in the field of planning, it is not always obvious to those outside the field. To help spread the word, try to work up the 30-second, "elevator speech" version of the five points, and then the "two-minute-drill" version. Try them out on those who approach you wanting to know what planning is all about. You may find that the message goes a long way toward explaining what planners do and why planning matters.

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BELDEN
RUSSONELLO &
STEWART LLC

Opinion Research
Strategic Communication

The 2011 Community Preference Survey
What Americans are looking for when deciding where to live

Analysis of a survey of 2,071 American adults nationally

Conducted for the National Association of Realtors®

March 2011

Introduction

The National Association of Realtors® asked Belden Russonello & Stewart LLC to update research done in 2004 on Americans' preferences regarding the communities in which they live. There have been major changes in the economy and the housing market since the 2004 Community Preference Survey was conducted. Property values have dropped significantly in many areas, foreclosures are at record highs, and fluctuating gas prices have made long commutes more costly. This research explores how Americans' preferences regarding communities and housing have changed over the last seven years. The research covers characteristics consumers are looking for in a community, the reality of their current communities, and what policies they would support to improve their communities in the future.

The 2011 BRS/NAR Community Preference Survey is a web-enabled survey of adults nationwide using the Knowledge Networks panel. Knowledge Networks uses probability methods to recruit its panel, allowing results to be generalized to the population of adults in the U.S. A total of 2,071 questionnaires were completed from February 15 to 24, 2011. The data have been weighted by gender, age, race, region, metropolitan status, and Internet access. The margin of sampling error for the sample of 2,071 is plus or minus 2.2 percentage points at the 95% level of confidence. A detailed methodology can be found in Appendix A.

Prior to the survey, two focus group discussions were held in Northern Virginia on January 6, 2011 with residents of urban and suburban areas. The groups were conducted to inform changes to the questionnaire and to incorporate how attitudes on housing and communities have changed over the seven years since the previous survey. Several quotes from the focus groups are included to provide context in this report.

In reading this report, tables and graphs in the text highlight selected survey findings and are expressed in percentages. The base for each table is all respondents (n=2,071) unless otherwise noted. Due to weighting, rounding, omission of "don't know," "refuse," or other responses, percentages may add to more or less than 100%.

This report contains an executive summary, followed by detailed findings that examine public attitudes toward:

- Where we are now: Views of current communities and housing
- Where we want to be: Priorities
- Making Choices
- Making Changes

The final chapter of the report examines the attitudes of key groups, such as young singles, African-American and Latino families, and prospective homebuyers.

Executive Summary

The 2011 Community Preference Survey reveals that, ideally, most Americans would like to live in walkable communities where shops, restaurants, and local businesses are within an easy stroll from their homes and their jobs are a short commute away; as long as those communities can also provide privacy from neighbors and detached, single-family homes. If this ideal is not possible, most prioritize shorter commutes and single-family homes above other considerations.

1. The economy has had a substantial impact on attitudes toward housing and communities

- The economy, attracting businesses and creating jobs, has become Americans' clear top priority (84% extremely high or high priority), while concern for other issues has dropped somewhat since 2004.

- Americans are three times more likely to say that the quality of life in their communities has gotten worse (35%) rather than better (12%) in the last three years. In 2004, the public was more optimistic: 25%, gotten better; 23%, gotten worse; 52%, stayed the same.

- Fewer Americans report having bought their home in the last three years (15%, 2011; 26%, 2004) or that they are planning to buy a home in the next three years (20%, 2011; 28%, 2004). A quarter of the public (24%) says that the economy has made them less likely to buy.

- Six in ten adults (59%) would rather stay within their budget, even if it meant they could not live in their desired community, compared to 39% who would stretch their budgets. Those with lower incomes are particularly hesitant to go out on a limb financially.

2. Overall, Americans' ideal communities have a mix of houses, places to walk, and amenities within an easy walk or close drive

- When selecting a community, nearly half of the public (47%) would prefer to live in a city (19%) or a suburban neighborhood with a mix of houses, shops, and businesses (28%). Another four in ten (40%) would prefer a rural area (22%) or a small town (18%). Only one in ten (12%) say they would prefer a suburban neighborhood with houses only.

- After hearing detailed descriptions of two different types of communities, 56% of Americans select the smart growth community and 43% select the sprawl community. Smart growth choosers do so largely because of the convenience of being within walking

distance to shops and restaurants (60%). Those who prefer the sprawl community are motivated mostly by desire to live in single-family homes on larger lots (70%).

- In a forced choice question, being within walking distance of amenities is preferred by a majority of Americans. Nearly six in ten adults (58%) would prefer to live in a neighborhood with a mix of houses and stores and other businesses within an easy walk. Four in ten (40%) select a community with housing only, where residents need to drive to get to businesses.

3. Desire for privacy is a top consideration in deciding where to live

- While walkability is seen as a desirable attribute by most, majorities of Americans are willing to live in communities where they have to drive most places if it means they would have larger lots with more distance from neighbors:

    - 61% choose larger lots and needing to drive over smaller lots and being able to walk to schools, stores, and restaurants (37%).

    - The preference is not as clear when choosing between larger lots and needing to drive (56%) and smaller lots and being able to walk to parks, playgrounds, and recreation areas (43%). In another set of questions, the public places a greater priority on having sidewalks and places to take walks (77%, important) than on being within walking distance of specific places in a community, such as stores and restaurants (66%).

- Privacy from neighbors is the top consideration tested for Americans in deciding where to live (45%, very important; 42%, somewhat). Other top priorities include, high quality public schools (44%; 31%), commute time (36%; 42%), and sidewalks and places to walk (31%; 46%).

- Living in a single-family, detached home is important to most Americans. Eight in ten (80%) would prefer to live in single-family, detached houses over other types of housing such as townhouses, condominiums, or apartments.

- Six in ten (59%) would accept a longer commute and having to drive to shops and restaurants if it meant they could live in a single-family detached home, rather than living in an attached home or apartment (38%).

4. But, having a reasonable commute can temper desire for more space

- While majorities of Americans prioritize space and privacy, a lengthy commute can sway them to consider smaller houses and lots. Six in ten (59%) would choose a smaller house and lot if it meant a commute time of 20 minutes or less. Four in ten (39%) would stick with the larger houses even if their commute was 40 minutes or longer.

- More than three-quarters of Americans (78% very or somewhat important) consider being within 30 minutes of work important in choosing where to live, making it among the most important factors tested, behind privacy.

5. Community characteristics are more important than size of home

- Seven times more people say the neighborhood where a house is located (88%) is a bigger consideration in deciding where to live than the size of the house (12%).

- Community factors such as high quality public schools (75% very or somewhat important) and sidewalks and places to take walks (77%) are among the top community characteristics people consider important when deciding where to live.

- Two-thirds (66% very or somewhat important) see being within an easy walk of places in their community as an important factor in deciding where to live. Specifically, being within an easy walk of a grocery store (75%), pharmacy (65%), hospital (61%), and restaurants (60%) is important to at least six in ten Americans.

6. Improving existing communities preferred over building new roads and developments

- Americans see improving existing communities (57%) and building new developments within existing communities (32%) as much higher priorities than building new developments in the countryside (7%).

- Preserving farms and open areas from development are a higher priority (53% extremely high or high priority) than creating new developments (24%).

- The public's attitudes toward traffic solutions have remained consistent over the last seven years. Improving public transportation is viewed as the best answer to traffic congestion by half of the country (50%). Three in ten (30%) prefer building communities where fewer people need to drive long distances to work and shop. Far fewer want to see more roads (18%).

7. Major differences in community preferences of various types of Americans

- Younger people who are unmarried tend to prefer the convenience of smart growth, walkable communities. Subdivision-type communities appeal more to middle-aged, married couples.
- Political views are predictive of what type of communities Americans prefer. Democrats and liberals tend to prefer smart growth-type communities, while Republicans and conservatives are more likely to favor sprawl-type communities.

- In general, adults' current housing situations reflect their preferences. Those who live in housing-only suburbs, small towns, and rural areas prefer more spread out, less walkable communities, whereas urban residents and those who live in suburbs with a mix of housing and businesses prefer more walkable, smart growth-type communities.

- Those on both ends of the socio-economic scale tend to prefer smart growth communities while those in the middle are more drawn to sprawl-type communities.
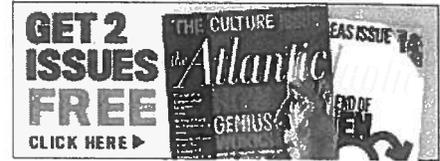
The New American Dream: Denser, Smaller, Closer, But Still Private

By Richard Florida

Reading through the newly released 2011 Community Preference Survey, conducted for the National Association of Realtors, I've been overwhelmed with a sense of déjà vu. Ever since the economic collapse, I have been writing about the great reset and the rise of "a new normal"--now I'm seeing it clear as day, in the pages of this market survey. The ideal of a McMansion out in some sprawling subdivision, a long commute away from the office, is on its last legs. The idea of the car as freedom is dying too. Driving is now seen as something that is taxing if not enslaving.

> When selecting a community, nearly half of the public (47%) would prefer to live in a city (19%) or a suburban neighborhood with a mix of houses, shops, and businesses (28%). Another four in ten (40%) would prefer a rural area (22%) or a small town (18%). Only one in ten (12%) say they would prefer a suburban neighborhood with houses only

Americans are dreaming new dreams and making new choices, when it comes to choosing where and how they want to live. More and more, they're choosing *not* to go further out so they can get bigger houses set on bigger lots.

> While majorities of Americans prioritize space and privacy, a lengthy commute can sway them to consider smaller houses and lots. Six in ten (59%) would choose a smaller house and lot if it meant a commute time of 20 minutes or less.

The ideal home today is located closer to the workplace and mass transportation and in a neighborhood that's denser and mixed use, with amenities and businesses--parks, pharmacies, grocery stores, doctors offices, schools, restaurants--that can be walked to.

But what I find so interesting and sort of counter-intuitive is how this new American dream smacks against the old dichotomy of city and suburb. Americans may be willing to settle for smaller, they may prefer denser development, but they still relish their privacy. They want a detached house with its own walls and a yard.

> Privacy from neighbors is the top consideration tested for Americans in deciding where to live (45% very important; 42%, somewhat.... Living in a single-family, detached home is important

to most Americans. Eight in ten (80%) would prefer to live in single-family, detached houses over other types of housing such as townhouses, condominiums, or apartments.

We've come to a crossroads that neither dyed-in-the-wool sprawl advocates nor crunchy urbanists dreamed of two decades ago, in which the choice isn't between urban and suburban but between *neighborhood* and *subdivision*. A great neighborhood is a great neighborhood whether it's in the city or the suburbs. It's not an either/or, between crowded apartments or Cape Cods on cul de sacs, it's more of a blend. Developers and planners take note: there is a potentially enormous market in cities for narrow single-family houses on small lots, like you see in places like Santa Monica and Venice. And as I wrote in *The Wall Street Journal* not too long ago, there are countless ways that our suburbs can be densified and reinvigorated. The American Dream hasn't died--it just looks a lot different than it did in the 1950s. It looks a lot different than it did a decade ago.

This article available online at:

http://www.theatlantic.com/business/archive/2011/04/the-new-american-dream-denser-smaller-closer-but-still-private/237284/

JANUARY 13, 2011, 12:19 PM ET

No McMansions for Millennials

S. Mitra Kalita and Robbie Whelan report from Orlando:

Here's what Generation Y doesn't want: formal living rooms, soaker bathtubs, dependence on a car.

In other words, they don't want their parents' homes.

NAHB.

NAHB International
Builders' Show

Much of this week's National Association of Home Builders conference has dwelled on the housing needs of an aging baby boomer population. But their children actually represent an even larger demographic. An estimated 80 million people comprise the category known as "Gen Y," youth born roughly between 1980 and the early 2000s. The boomers, meanwhile, boast 76 million.

Gen Y housing preferences are the subject of at least two panels at this week's convention. A key finding: They want to walk everywhere. Surveys show that 13% carpool to work, while 7% walk, said Melina Duggal, a principal with Orlando-based real estate adviser RCLCO. A whopping 88% want to be in an urban setting, but since cities themselves can be so expensive, places with shopping, dining and transit such as Bethesda and Arlington in the Washington suburbs will do just fine.

"One-third are willing to pay for the ability to walk," Ms. Duggal said. "They don't want to be in a cookie-cutter type of development. ...The suburbs will need to evolve to be attractive to Gen Y."

Outdoor space is important—but please, just a place to put the grill and have some friends over. Lawn-mowing not desired. Amenities such as fitness centers, game rooms and party rooms are important ("Is the room big enough to host a baby shower?" a millennial might think). "Outdoor fire pits," suggested Tony Weremeichik of Canin Associates, an architecture firm in Orlando. "Consider designing outdoor spaces as if they were living rooms."

Smaller rooms and fewer cavernous hallways to get everywhere, a bigger shower stall and skip the tub, he said. Oh, but don't forget space in front of the television for the Wii, and space to eat meals while glued to the tube, because dinner parties and families gathered around the table are so last-Gen. And maybe a little nook in the laundry room for Rover's bed?

In his presentation, KTGY Group residential designer David Senden showed slide after slide of dwellings that looked like a cross between a hotel lobby and the set of "Melrose Place."

He christened the subset of the generation delaying marriage and family as "dawdlers."

"A house in the suburbs is not for them," Mr. Senden said. "At least not yet."

Places to congregate are more important than a big apartment, he cautioned. He showed one layout of a studio apartment—350 square feet, as big as Mom and Dad's Great Room. Common space has migrated to "club rooms," he said, where Gen-Y residents can host meals and hang out before heading to a common movie-screening room or rooftop swimming pool that they share with the building's other tenants.

The Great Recession and its effects on young people's wages will affect how much home they can buy or rent for years to come.

"Not too many college grads can afford a lot of space in the city," he said. "Think lots of amenities with little tiny units—and a lot of them to keep (fees) down. ...The things these places are doing is constantly coordinating activities. The residents get to know each other and it makes for a much livelier and friendlier environment."

Walkability Checklist

How walkable is your community?

Take a walk with a child and decide for yourselves.

Everyone benefits from walking. These benefits include: improved fitness, cleaner air, reduced risks of certain health problems, and a greater sense of community. But walking needs to be safe and easy. Take a walk with your child and use this checklist to decide if your neighborhood is a friendly place to walk. Take heart if you find problems, there are ways you can make things better.

Getting started:

First, you'll need to pick a place to walk, like the route to school, a friend's house or just somewhere fun to go. The second step involves the checklist. Read over the checklist before you go, and as you walk, note the locations of things you would like to change. At the end of your walk, give each question a rating. Then add up the numbers to see how you rated your walk overall. After you've rated your walk and identified any problem areas, the next step is to figure out what you can do to improve your community's score. You'll find both immediate answers and long-term solutions under "Improving Your Community's Score..." on the third page.

How walkable is your community?

Location of walk

Rating Scale:

1	2	3	4	5	6
awful	many problems	some problems	good	very good	excellent

1. Did you have room to walk?

☐ Yes ☐ Some problems:

- ☐ Sidewalks or paths started and stopped
- ☐ Sidewalks were broken or cracked
- ☐ Sidewalks were blocked with poles, signs,shrubbery, dumpsters, etc.
- ☐ No sidewalks, paths, or shoulders
- ☐ Too much traffic
- ☐ Something else _____

Rating: (circle one)   Locations of problems:
1 2 3 4 5 6   _____

2. Was it easy to cross streets?

☐ Yes ☐ Some problems:

- ☐ Road was too wide
- ☐ Traffic signals made us wait too long or did not give us enough time to cross
- ☐ Needed striped crosswalks or traffic signals
- ☐ Parked cars blocked our view of traffic
- ☐ Trees or plants blocked our view of traffic
- ☐ Needed curb ramps or ramps needed repair
- Something else _____

Rating: (circle one)   Locations of problems:
1 2 3 4 5 6   _____

3. Did drivers behave well?

☐ Yes ☐ Some problems: Drivers ...

- ☐ Backed out of driveways without looking
- ☐ Did not yield to people crossing the street
- ☐ Turned into people crossing the street
- ☐ Drove too fastp
- ☐ Sped up to make it through traffic lights or drove through traffic lights?
- ☐ Something else _____

Rating: (circle one)   Locations of problems:
1 2 3 4 5 6   _____

4. Was it easy to follow safety rules? Could you and your child...

☐ Yes ☐ No Cross at crosswalks or where you could see and be seen by drivers?

☐ Yes ☐ No Stop and look left, right and then left again before crossing streets?

☐ Yes ☐ No Walk on sidewalks or shoulders facing traffic where there were no sidewalks?

☐ Yes ☐ No Cross with the light?

Rating: (circle one)   Locations of problems:
1 2 3 4 5 6   _____

5. Was your walk pleasant?

☐ Yes ☐ Some problems:

- ☐ Needed more grass, flowers, or trees
- ☐ Scary dogs
- ☐ Scary people
- ☐ Not well lighted
- ☐ Dirty, lots of litter or trash
- ☐ Dirty air due to automobile exhaust
- ☐ Something else _____

Rating: (circle one)   Locations of problems:
1 2 3 4 5 6   _____

How does your neighborhood stack up? Add up your ratings and decide.

1. _____
2. _____
3. _____
4. _____
5. _____

Total: _____

26–30	Celebrate! You have a great neighborhood for walking.
21–25	Celebrate a little. Your neighborhood is pretty good.
16–20	Okay, but it needs work.
11–15	It needs lots of work. You deserve better than that.
5–10	It's a disaster for walking!

Improving your community's score

1. Did you have room to walk?	**What you and your child can do immediately**	**What you and your community can do with more time**
Sidewalks or paths started and stopped Sidewalks broken or cracked Sidewalks blocked No sidewalks, paths or shoulders Too much traffic	• pick another route for now • tell local traffic engineering or public works department about specific problems and provide a copy of the checklist	• speak up at board meetings • write or petition city for walkways and gather neighborhood signatures • make media aware of problem • work with a local transportation engineer to develop a plan for a safe walking route

2. Was it easy to cross streets?

Road too wide Traffic signals made us wait too long or did not give us enough time to cross Crosswalks/traffic signals needed View of traffic blocked by parked cars, trees, or plants Needed curb ramps or ramps needed repair	• pick another route for now • share problems and checklist with local traffic engineering or public works department • trim your trees or bushes that block the street and ask your neighbors to do the same • leave nice notes on problem cars asking owners not to park there	• push for crosswalks/signals/ parking changes/curb ramps at city meetings • report to traffic engineer where parked cars are safety hazards • report illegally parked cars to the police • request that the public works department trim trees or plants • make media aware of problem

3. Did drivers behave well?

Backed without looking Did not yield Turned into walkers Drove too fast Sped up to make traffic lights or drove through red lights	• pick another route for now • set an example: slow down and be considerate of others • encourage your neighbors to do the same • report unsafe driving to the police	• petition for more enforcement • request protected turns • ask city planners and traffic engineers for traffic calming ideas • ask schools about getting crossing guards at key locations • organize a neighborhood speed watch program

4. Could you follow safety rules?

Cross at crosswalks or where you could see and be seen Stop and look left, right, left before crossing Walk on sidewalks or shoulders facing traffic Cross with the light	• educate yourself and your child about safe walking • organize parents in your neighborhood to walk children to school	• encourage schools to teach walking safely • help schools start safe walking programs • encourage corporate support for flex schedules so parents can walk children to school

5. Was your walk pleasant?

Needs grass, flowers, trees Scary dogs Scary people Not well lit Dirty, litter Lots of traffic	• point out areas to avoid to your child; agree on safe routes • ask neighbors to keep dogs leashed or fenced • report scary dogs to the animal control department • report scary people to the police • report lighting needs to the police or appropriate public works department • take a walk wih a trash bag • plant trees, flowers in your yard • select alternative route with less traffic	• request increased police enforcement • start a crime watch program in your neighborhood • organize a community clean-up day • sponsor a neighborhood beautification or tree-planting day • begin an adopt-a-street program • initiate support to provide routes with less traffic to schools in your community (reduced traffic during am and pm school commute times)

A Quick Health Check

Could not go as far or as fast as we wanted Were tired, short of breath or had sore feet or muscles Was the sun really hot? Was it hot and hazy?	• start with short walks and work up to 30 minutes of walking most days • invite a friend or child along • walk along shaded routes where possible • use sunscreen of SPF 15 or higher, wear a hat and sunglasses • try not to walk during the hottest time of day	• get media to do a story about the health benefits of walking • call parks and recreation department about community walks • encourage corporate support for employee walking programs • plant shade trees along routes • have a sun safety seminar for kids • have kids learn about unhealthy ozone days and the Air Quality Index (AQI)

Great Resources

WALKING INFORMATION

Pedestrian and Bicycle Information Center (PBIC)
UNC Highway Safety Research Center
Chapel Hill, NC
www.pedbikeinfo.org
www.walkinginfo.org

National Center for Safe Routes to School
Chapel Hill, NC
www.saferoutesinfo.org

**For More Information about Who Can Help
Address Community Problems**
www.walkinginfo.org/problems/help.cfm

State Bicycle & Pedestrian Coordinators
http://www.walkinginfo.org/assistance/contacts.cfm

FEDERAL POLICY, GUIDANCE AND FUNDING SOURCES FOR WALKING FACILITIES

Federal Highway Administration
Bicycle and Pedestrian Program
Office of Natural and Human Environment
Washington, DC
www.fhwa.dot.gov/environment/bikeped/index.htm

PEDESTRIAN SAFETY

Federal Highway Administration
Pedestrian and Bicycle Safety Team
Office Of Safety
Washington, DC
http://safety.fhwa.dot.gov/ped_bike/

National Highway Traffic Safety Administration
Traffic Safety Programs
Washington, DC
www.nhtsa.dot.gov/people/injury/pedbimot/pedSAFE

SIDEWALK ACCESSIBILITY INFORMATION

US Access Board
Washington, DC
Phone: (800) 872-2253;
(800) 993-2822 (TTY)
www.access-board.gov

U.S. Department of Transportation
Federal Highway Administration

U.S. Department of Transportation
National Highway Traffic Safety Administration

SafeRoutes
National Center for Safe Routes to School

Pedestrian and Bicycle Information Center

CITY OF DULUTH
PLANNING DIVISION
411 W 1st St Rm 402 * Duluth, Minnesota 55802-1197
Phone: 218/730-5580   Fax: 218/730-5904

TO: DAVE MONTGOMERY

FROM: CINDY PETKAC

DATE: FEBRUARY 3, 2010

SUBJECT: OFFICE DESIGN FOR PROFESSIONAL STAFF IN ONE STOP SHOP

NEEDS OF KNOWLEDGE WORKERS

Professional staff, such as planners, are knowledge workers who use their expertise in solving unique problems. They differ from other employees in their needs and expectations for the workplace. The design of a new, modern One Stop Shop office space provides an opportunity to showcase to staff and the public that the City is committed to a new, more modern way of working and doing business.

Research shows that there are several factors that affect knowledge work performance, two of which need to be considered in the planning and designing of the One Stop Shop office space. (The following is from an article titled "Why Office Design Matters" by Thomas H. Davenport, Harvard Business School - Working Knowledge for Business Leaders, September 12, 2005. It is an excerpt from "Thinking for a Living: How to Get Better Performance and Results from Knowledge Workers" 2005.)

> Knowledge Workers Collaborate – They meet, they chat, they congregate. Office environments need to facilitate the collaboration and exchange of tacit (hard to express in explicit written terms) knowledge. What does this mean? At a minimum, there need to be meeting spaces and conference rooms. Maximum facilitation would be to create a variety of collaborative spaces, technologies, and facilitation approaches for an array of collaborative purposes.

> Knowledge Workers Concentrate – The opposite side of the collaboration coin is the need to concentrate at work. This requires a quiet setting with relatively few distractions. Such an environment is particularly important for knowledge creation activities - thinking, writing, so forth. This takes up a widely varying proportion of knowledge workers' time … studies have found workers devoting up to 64 percent in "quiet work." Whatever the fraction of time, it's important for the production of final knowledge work outputs.

> Despite the faddish nature of workspace design and the absence of detailed knowledge on its implications, many organizations truly believe in the effects of the particular approaches they have adopted. It is often assumed, for example, that open offices lead to increased collaboration and open communication. Certainly there are many occasions in which chatting over cubicle walls has facilitated the flow of information through knowledge work processes. Yet [they are] just as many anecdotes about workers who stayed at home to do heads-down work because they couldn't concentrate in the office.

OFFICE SPACE AND PRODUCTIVITY

Office space affects behavior and productivity. The ability to concentrate at work is critical to the productivity of a knowledge worker. Therefore, knowledge worker privacy must be balanced with a surrounding that fosters creativity, interaction, collaboration and high performance teamwork. The belief is that open office designs feeds interaction, but the evolution in thought is that collaboration and interaction happen in hallways and lunchrooms. Workplace studies by BOSTI Associates show that privacy can improve productivity by up to 250% for task-intensive knowledge workers. The trend in workplace design is towards blending open plans with private offices. This trend is expected to accelerate as menial office tasks are automated.

ONE STOP SHOP WORKSPACE DESIGN

Movable wall systems are a key element to knowledge worker satisfaction and productivity. They solve the privacy issues necessary for thinking but without imparting a feeling of isolation. The higher initial cost for a movable wall system, such as Herman Miller's U-Wall Movable Walls, is greatly outweighed by the long term benefits in terms of staff productivity and employee retention but also in the ability to recruit and attract future knowledge workers of the creative class. A movable wall system and the use of glass walls, should be seen as an investment in the City's future.

The first scheme (Scheme A) that the City Architect developed included excellent workspaces for planners that will allow us to work productively as well as collaborate with each other. The common work table and glass fronted offices will provide a sense of openness in the office and allow us to collaborate on projects. Attached is a sketch that shows Scheme A, with minor alterations, which is the preferred workspace plan for the Planning Division. Also attached are images of the type of offices we envision for this space.

Daylight Dividends

Daylighting Resources - Productivity

Motivation

Research has shown that people experiencing positive emotional states tend to be more productive (Wright and Cropanzano, 2000), and that positive emotional states can be reinforced by providing people with their preferred work environment. Since daylight is almost universally preferred to electric lighting, it is likely that increased use of daylight will support workplace productivity.

Job performance and psychological well-being

Job performance is closely correlated to psychological well-being, but not to job satisfaction. Psychological well-being is a short-term emotional response to a pleasant situation, whereas job satisfaction is a more rational, objective assessment of a person's long-term attitude to their job (Wright and Cropanzano, 1997; Organ, 1988). For example, if employees experience happiness when they look out a window or sit in the sunshine, that feeling may contribute to their performance on that day, while not affecting how they feel about their co-workers, pay, or responsibilities.

Preference for daylight

There is no doubt that people find daylight more pleasant than electric lighting as their primary source of light. Wells (1967), Manning (1967), and Markus (1967) in the UK; Cuttle (1983) in the UK and New Zealand; Heerwagen and Heerwagen (1986) in the USA; and Veitch (1993) in Canada, have all shown that high percentages of survey respondents prefer to work by daylight. Similarly, people prefer to sit at desks that are beside windows rather than further back in the room, especially when those windows have access to direct sunlight (Markus, 1967; Aldworth and Bridgers, 1971; Collins, 1975; Ludlow, 1976; Cuttle, 1983; and Heerwagen and Heerwagen, 1986).

People's preference for daylight may be partly due to their negative view of electric lighting. Cuttle (1983) found that people believe that working by daylight results in less stress and discomfort than working by electric light, and that working by electric lighting is deleterious to health, particularly in the long term. However, there is no scientific evidence to support any negative effects of electric lighting on long-term health.

Improvements in job performance

Hedge (1994) measured the performance of a clerical task on a computer in a room lit by different electric lighting systems, with and without windows. He found a small but statistically significant improvement in task performance when windows were present.

The windows provided more light than electric lighting alone, but the improvement in performance was greater than would have been expected due to the increase in light level therefore it seems to be attributable to an improvement in short-term psychological well-being, due to the presence of windows.

A survey of tenants of rented offices (BOMA, 1988) has shown that 2.1% of tenants think that the poor quality of their windows is the worst problem in their building, and that if the windows could be improved, an estimated productivity gain of 4% would result. This survey does not indicate whether dissatisfaction with windows was due to insufficient daylight, excessive glare, the presence of drafts, direct sunlight, or other factors associated with window discomfort.

Mood and satisfaction

Dasgupta (2003) found a small but statistically significant reduction in negative mood for people who worked for about 20 minutes in a private office with a large window during daytime; but no reduction in negative mood for the same people in the same office at night. Ruys (1970) also found that occupants of small offices disliked the absence of windows.

Some studies have suggested that people have an innate desire to be in contact with nature White and Heerwagen, (1998); windows provide a means for establishing visual contract with nature while at work. Heerwagen and Orians (1986) found that people occupying small windowless offices were much more likely to have pictures of natural scenes on their wall than were people with easy access to windows, possibly as a way of compensating for the absence of real natural scenes. An alternative explanation is that, in a small office, the view out the window may be the only source of environmental stimulation.

DEPARTMENT NAME: Legislative and Executive	DIVISION NAME: Planning	Report: ___ January to June 30, 2010 _x_ December 31, 2010 (full year) ___ January to June 30, 2011 ___ December 31, 2011 (full year)
Person Completing Report: Cindy Petkac	Date Submitted April 15, 2011	

Goals and Objectives	Measures	Outcomes and Results	Results for this Reporting Period	Issues or Problems Encountered
Provide Outstanding Customer Service	**# of planning applications filed** **# of pre-application meetings held** **% of inquiries responded to in 48 hours**	Planning staff is responsive and professional in providing citizens and developers with information to ensure a more seamless and efficient application process.	112 applications filed in 2011 91 pre-application meetings held in 2011 Did not tract percentage of inquiries responded to in 48 hours	
Catalyze Development that is Sustainable	**# of new housing units within 5 - 10 minute walking distance of transit stops, shopping centers**	Aimed at meeting the City's goal of becoming a more sustainable and pedestrian-oriented community	Unknown	Difficult to track because not all new housing units require plan review by the Planning office
Implement the Comprehensive Plan 1) Develop the UDC	**# of participants in UDC process; # of public meetings** **Recommendation to adopt by Planning Commission** **Adoption by City Council**	UDC implements the Comprehensive Plan by incorporating contemporary approaches to neighborhood revitalization, mixed uses and natural resource protection regulations.	521 people attended 17 public meetings; Staff reviewed/incorporated 339 public comments into final UDC (received at meetings, email, web); Other meetings: 32 stakeholder mtgs, 17 Zoning Advisory Committee mtgs, 3 University Housing Working Group mtgs, 9 Technical Advisory Committee mtgs, 9 City Council updates; 24 updates to Planning Commission On June 22, 2010, the Planning Commission recommended approval of UDC to City Council **On August 16, 2010, the City Council unanimously approved the UDC**	

| 2) Develop small area plans | # of small area plans

# of participants in planning process; # of public meetings

Recommendation to adopt by Planning Commission

Adoption by Council

Track initiatives and other action items from small area plans | The Comprehensive Plan identified several areas of the city where further planning should occur. Small area plans are developed for a clearly defined area and give more detailed recommendations than would be provided in a comprehensive plan. | Bayfront District Small Area Plan initiated in 2009 (2nd small area plan developed by the Planning office since 2008)

Approximately 100 people attended two public meetings on Dec 2, 2009 and Jan 27, 2010

On February 16, 2010, Planning Commission recommended approval of Bayfront District Small Area Plan to City Council

On March 8, 2010, the City Council unanimously approved the Bayfront District Small Area Plan

A property owner along Central Entrance submitted a rezoning request consistent with the recommendations of the Central Entrance - Miller Hill Small Area Plan. On July 13, 2010 the Planning Commission unanimously recommended approval of the rezoning to City Council. | |

BUSINESS PLAN –
PUBLIC WORKS & UTILITIES

PUBLIC WORKS

PUBLIC WORKS & UTILITIES DEPARTMENT

Water

Natural Gas

Sanitary Sewer

Storm Water

Business Plan

Prepared by: Jim Benning

Submitted: March 30, 2011

I.   EXECUTIVE SUMMARY

The Public Works and Utilities Department is perhaps the most visible and important department within the City. The department provides core services that every resident, business, and industry uses multiple times each day. The department treats and transports the water we drink, conveys wastewater for treatment, designs and constructs the roads and bridges we drive on, purchases and delivers the natural gas we use to heat our homes, maintains the storm sewer system that conveys rain water to Lake Superior, and oversees the operations and maintenance of the aerial lift bridge.

The department is broken down into four separate and distinct divisions:

- Engineering is responsible for the design and construction administration of road, bridge, and utility projects. The Engineering Division is also responsible for lift bridge operations.
- Utility Operations is responsible for the repair and maintenance of all utility functions as well as compliance with inflow and infiltration regulations.
- Customer Service is responsible for account billing, account collecting, and past payments due, as well as meter reading and appliance repair.
- Water and Gas Supply is responsible for the treatment of drinking water and the purchasing of all natural gas for the entire city.

The four divisions are funded primarily by four enterprise funds that have a combined annual operating budget of $80.4M, which is greater than the combined general fund budget for all other operations within the City.

- Gas Fund- $43.4M (54.0%)
- Water Fund- $12.3M (15.3%)
- Sanitary Fund- $18.5M (23.0%)
- Storm Water Fund- $4.2M (5.2%)
- General Fund- $2.0M (2.5%)

The Public Works and Utilities Department consists of 213 employees that form a dynamic team ready to tackle any challenge. The department's strengths lie within the individual employees and the skills they have acquired throughout their careers. The managers and supervisors fully know their jobs and came up through the ranks. The other employees are mentored or complete formal apprenticeship programs to become masters of their jobs. The municipal ownership of the utilities gives the department the ability to respond quickly to any emergency at any time of day. Services are provided at the lowest possible cost because the City is a not-for-profit organization.

The department is not without its challenges. Although the employees form the strength of the department, we have seen a dramatic decrease in the number of personnel during the last decade. These losses need to be compensated for by work efficiencies, technology advancements, and in some cases, waiting longer to complete projects. Another challenge is the City is under a Federal Consent Decree to eliminate sanitary sewer overflows by 2016. We are tackling this requirement head on and have good buy-in from the community. The

department's single largest challenge is our aging infrastructure. 50% of the underground pipes are 80 years old or older. The number of water main breaks continues to grow at an alarming rate. We are currently able to keep up with repairing the breaks as they occur, but a time will come when available staff will not be able to keep up. The task of the Duluth Public Utilities Commission, formed in 2010, is to help formulate a long-term plan that will allow the City to start replacing its aging infrastructure while keeping rate increases to a reasonable level.

The department's major goals are:
- Eliminate sanitary sewer overflow and fully comply with the Consent Decree.
- Implement an Enterprise Asset Management software package that will track internal work orders and customer requests.
- Begin the process of utility infrastructure replacement that will ensure our customers receive the essential services that we are tasked to provide.
- Continue progress towards the Mayor's goal to repair 100 miles of roadway in five years.

The details of this vital department are outlined in the following pages.

II.   WHO ARE WE?

Mission Statement

The Duluth Public Works and Utilities Department provides professional engineering services and water, sanitary sewer, natural gas, and storm water utilities to Duluth's businesses and residents in a safe, cost effective, and environmentally sound manner, through skilled, safety oriented, and customer focused employees.

Values

- Commitment to excellence in public service.
- Provide responsive and friendly customer service.
- Development of collaborative partnerships that lead to a safe, clean, and beautiful urban environment.
- Open and honest communication and engagement with employees and stakeholders.
- Treatment of all persons with dignity and respect.
- Commitment to employee development and well-being.

Business/Program Structure

Department History

The City of Duluth created the Public Works and Utilities Department in 1999 when the Public Works Department and the Water & Gas Department were merged to increase operational efficiencies and reduce costs.

The City entered into the utility business in 1898 when it purchased the Duluth Gas and Water Company. The original $1,250,000 purchase was driven by the desire to renovate the water supply in the city to eliminate water-borne illness. An important result was an entrance into the gas business.

The Public Works and Utilities Department is among the most visible of all City of Duluth departments. The department includes four enterprise fund utilities: the natural gas utility, the water utility, the sanitary sewer utility, and the storm water utility. These four utility funds have a combined budget of $78M during FY 2011, and comprise expenditures greater than the City of Duluth's general fund on an annual basis. In addition, the department has a small general fund component for the Director's Office, Transportation Engineering, and Moveable Bridges.

Organization of the Department

- Gas Utility: The gas utility/fund is a self-supporting enterprise fund, which accounts for the distribution of an adequate, reliable, and safe supply of natural gas to the citizens of Duluth. Other services provided are the inspection, maintenance, and servicing of customer gas utilization equipment. The major funding source for this fund is metered gas sales which

represents 97% of total budgeted revenues for 2011. The major expense is purchased natural gas, representing 64% of budgeted expenses for 2011.

- Water Utility: The water utility/fund is a self-supporting enterprise fund, which accounts for the collection, treatment, and distribution of water to the citizens of Duluth. The major funding source for this fund is metered water sales, representing 98% of total budgeted revenues for 2011.

- Sanitary Sewer Utility: The sewer utility/fund accounts for the provision of sewer service to the citizens of Duluth as a self-supporting enterprise fund. Activities include the operation and maintenance of the City's sanitary sewer collection system. The major expense category is for contractual services and charges paid to the Western Lake Superior Sanitary District (WLSSD), constituting 44% of total 2011 budgeted expenses.

- Storm Water Utility: The storm water utility/fund accounts for the provision of storm water sewer services to the citizens of Duluth as a self-supporting enterprise fund. Activities include the operation and maintenance of the City's storm water sewer collection system. The utility was created in 1998. The primary funding source is user charges to all City of Duluth residential and business property owners.

- General Fund: The general fund activities include road and bridge design and construction, traffic engineering, bridge inspections, moveable bridge operations, and multi-agency transportation coordination. The engineering and moveable bridge operations budget for 2011 is $1,961,400. Capital project costs administered by general fund engineering for 2010 totaled $21,682,958.

The total department budget is $80.4M for the 2011 budget year. Expenses by fund are as follows:

- Gas Fund- $43.4M (54.0%)
- Water Fund- $12.3M (15.3%)
- Sanitary Fund- $18.5M (23.0%)
- Storm Water Fund- $4.2M (5.2%)
- General Fund- $2.0M (2.5%)
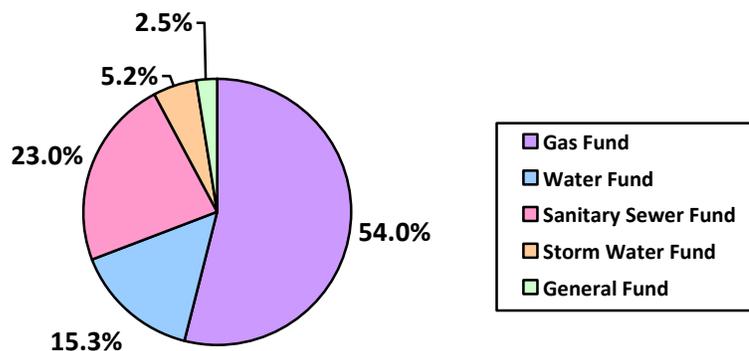
Key Operational Functions

The Public Works and Utilities Department (213 positions) is broken down into four separate divisions and the Director's Office. Each division operates as its own entity and has its own budget. Although each division operates as part of the Public Works and Utilities team, they each provide very different services and each have their individual challenges.

- Director's Office (3 positions)

- Engineering Division (45 positions):

  1. Manager and office personnel (5 positions)

  2. Transportation Engineering (20 positions): Transportation Engineering is responsible for design and construction administration of all roadway, bridge, and traffic projects. In addition, the Moveable Bridges cost center is responsible for the maintenance and operations of the aerial lift bridge and the pedestrian lift bridge.

  3. Utility Engineering (20 positions): Utility Engineering is responsible for design and construction administration for all utility projects (water, gas, sanitary sewer, and storm water). They are also responsible for utility locates for the Gopher State One Call program.

- Water and Gas Supply (15 positions):

  1. Operations Manager for Water & Gas Supply (1 position)

  2. Natural Gas Supply (5 positions): Gas Supply personnel are responsible for purchasing natural gas on a daily and long term basis. They are also responsible for corrosion protection and monitoring the gas system on a continual basis.

  3. Water Supply (9 positions): Water Supply personnel are responsible for the treatment and distribution of drinking water for the City of Duluth, Hermantown, Rice Lake Township and Proctor. They provide continuous testing of the drinking water and oversee the maintenance and repair of the water treatment facilities, as well as the water reservoirs, storage tanks, and water pumping stations within the city.

- Customer Service (63 positions):

  1. Customer Service Manager (1 position)

  2. Customer Accounts (15 positions): Customer Accounts personnel are responsible for billing, new account applications, termination notices, delinquent payments, and customer relations.

3. Service Department (46 positions): Service personnel are responsible for meter reading, gas leak detection, gas and water meter repair, installation and rebuilding, 24/7 customer call-in center, radio dispatch, appliance and furnace repair, and industrial painting.

4. Information and Conservation (1 position): This position is responsible for marketing natural gas, natural gas safety education, and energy conservation requirements.

- Utility Operations (87 positions):

  1. Utility Operations Manager, office personnel, Project Coordinators, and Water Quality Specialists (13 positions)

  2. Maintenance (25 positions): Maintenance personnel are responsible for storm water conveyance maintenance and repair, sanitary sewer cleaning and televised inspections, weld shop and pipeline welding, hydrant maintenance, and valve maintenance.

  3. Construction and Repair (34 positions): Construction and Repair personnel are responsible for the repair and new construction of storm sewers, sanitary sewers, natural gas distribution, and water distribution.

  4. Operations (15 positions): Operations personnel are responsible for lift stations maintenance and operations, flow monitoring, sanitary inflow and infiltration, gas and water regulator maintenance and repair, and warehouse operations.

Organizational Charts

City Engineer

- **City Engineer**
  - Senior Engineering Specialist
  - Senior Engineering Technician (GIS)
  - Administrative Information Specialist
    - Information Technician (2)
  - Clerical Support Technician
  - Chief Engineer-Transportation
    - **Moveable Bridges**
      - Aerial Lift Bridge Supervisor
        - Bridge Operators (9)
    - **Transportation Engineering**
      - Project Engineer (2)
      - Senior Engineering Specialist (2)
      - Senior Engineering Technician (4)
      - Engineering Technician
  - Chief Engineer-Utilities
    - **Gas & Water Engineering**
      - Project Engineer (2)
      - Senior Engineering Technician (5)
      - Engineering Technician (2)
    - **Sanitary & Storm Engineering**
      - Project Engineer (3)
      - Senior Engineering Technician
    - **Utility Locations (GSOC)**
      - Senior Engineering Technician (2)
      - Engineering Technician (2)

Operations Manager, Water & Gas Supply

- **Operations Manager, Water & Gas Supply**
  - **Natural Gas**
    - Corrosion Technician
    - Chief Gas Controller
      - Senior Gas Control Operator
        - Gas Control Operator II
          - Gas Control Operator I
  - **Water Treatment & Pumping**
    - Master Electrician
    - Water Plant Supervisor
      - Water Chemist
        - Lab Technician
      - Water Plant Operator A (5)
        - Water Plant Operator D

Customer Service Organization Chart

- **Customer Service Manager**
  - Gas & Energy Coordinator
  - **Customer Accounts**
    - Customer Relations Supervisor
      - Paralegal
      - Utility Accounts Receivable Specialist (3)
      - Information Technician (9)
      - Clerical Support Technician
  - **Service**
    - Measurement Services Supervisor
      - Meter Mechanic
        - Gas Fitter (2)
        - Utility Services Journeyperson (2)
        - Meter Reader (3)
      - Utility Radio Dispatcher (6)
        - Administrative Information Specialist
        - Information Technician (2)
      - Service Leadworker (2)
        - Appliance Mechanic Journeyperson (13)
        - Utility Services Journeyperson (3)
        - Utility Servicepersons (8)
        - Industrial Painter (2)

Utility Operations Organization Chart

- **Utility Operations Manager**
  - Stormwater Project Coordinator
    - Water Quality Specialist (2)
  - Consent Decree Coordinator
  - Sanitary I/I Project Coordinator
    - Water Quality Specialist (4)
  - Information Technician (3)
  - **Utility Operations Supervisor- Maintenance**
    - **Stormwater Cleaning/Inspection**
      - Collection System Maintenance Worker (2)
      - Utility Operator (2)
    - **Sanitary Cleaning**
      - Collection System Maintenance Worker(2)
      - Utility Operator (5)
    - **Sanitary Inspection**
      - Collection System Maintenance Worker
      - Utility Operator
    - **Hydrant Maintenance**
      - Maintenance Journeyperson (2)
    - **Short Orders**
      - Maintenance Journeyperson
    - **Valve Maintenance**
      - Maintenance Journeyperson
      - Utility Maintenance Worker (7)
  - **Utility Operations Supervisor- Construction/Repair**
    - **Stormwater**
      - Utility Operations Leadworker
      - Collection System Maintenance Worker
      - Utility Operator (2)
    - **Sanitary**
      - Utility Operations Leadworker
      - Collection System Maintenance Worker
      - Utility Operator (2)
    - **Light (Gas)**
      - Utility Operations Leadworker
      - Utility Operator (4)
    - **Heavy (Water)**
      - Utility Operations Leadworker
      - Utility Operator (3)
    - **East**
      - Utility Operations Leadworker
      - Maintenance Journeyperson
      - Utility Operator (2)
    - **Central**
      - Utility Operations Leadworker
      - Utility Operator (4)
    - **West**
      - Utility Operations Leadworker
      - Utility Operator (3)
    - **Weld Shop**
      - Pipeline Welders (3)
  - **Utility Operations Supervisor- Operations**
    - **Lift/Water Stations**
      - Lift Station Operator
      - Lift Station Apprentice
      - Collection System Maintenance Worker
    - **Flow Monitoring**
      - Collection System Maintenance Worker (2)
    - **Regulator Maintenance**
      - Regulator Mechanic (3)
    - **Gas Sectionalizing & Leak Seal**
      - Maintenance Journeyperson
      - Utility Operator
    - **Warehouse**
      - Warehouse Specialist (3)
      - Utility Operator

Significant Trends and Changes

Public Works & Utilities Budgeted Positions
1998 - 2011

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Utility Positions	228.0	219.5	214.3	196.2	196.4	191.4	188.6	192.6	190.6	183.6	181.2	180.2	187.4	190.8
General Fund Positions	39.5	37.5	34.7	33.0	30.8	30.8	27.4	26.4	26.4	25.2	24.0	22.4	21.2	22.0
Total PW&U Positions	267.5	257.0	249.0	229.2	227.2	222.2	216.0	219.0	217.0	208.8	205.2	202.6	208.6	212.8

Year

Budgeted FTE's

Water Main Breaks per Year
(by decade)

	1940s	1950s	1960s	1970s	1980s	1990s	2000s	2010
◆ Ave breaks per year	6	11	30	50	55	71	141	98
■ Ave miles of main	270	304	336	355	370	387	409	427.3

Water Utility Rate History

	4/3/1995 4%	1/2/1997 8%	1/1/2001 5%	1/1/2002 16%	* 8/1/2003 5%	* 8/1/2004 5%	* 8/1/2005 5%	11/1/2006 20%	2/1/2009 6.1%
First 4,000 cubic feet, per 100 cubic feet	$ 1.31	$ 1.42	$ 1.49	$ 1.73	$ 1.82	$ 1.91	$ 2.01	$ 2.41	$ 2.56
Next 96,000 cubic feet, per 100 cubic feet	$ 0.85	$ 0.92	$ 0.97	$ 1.13	$ 1.19	$ 1.25	$ 1.31	$ 1.57	$ 1.67
Next 900,000 cubic feet, per 100 cubic feet	$ 0.71	$ 0.77	$ 0.81	$ 0.94	$ 0.99	$ 1.04	$ 1.09	$ 1.31	$ 1.39
Over 1,000,000 cubic feet, per 100 cubic feet	$ 0.59	$ 0.64	$ 0.67	$ 0.78	$ 0.82	$ 0.86	$ 0.90	$ 1.08	$ 1.15
Minimum monthly bill 1" or smaller meter	$ 5.24								
Fixed monthly charge, 1" or smaller meter		$ 2.00	$ 2.50	$ 3.50	$ 3.50	$ 3.50	$ 3.50	$ 3.50	$ 3.50

*Note: Rate increases on August 1 of years
2003, 2004 and 2005 used only for infrastructure
replacement and rehabilitation.

Storm Water Utility Rate History

	1998 Original Rate	11/1/2006 38.7%	1/1/2008 17%
Per Equivalent Residential Unit (1,708 impervious square feet)	$ 3.75	$ 5.20	$ 6.08

Natural Gas Utility Rate History

Volume rates are per 100 cubic feet (CCF).

Actual volume rate dependent on monthly Purchased Gas Adjustment (PGA) applied to each rate class.

11/30/2010

	09/30/09		07/01/08	11/01/06	11/01/05	08/01/03	01/01/97
Firm Sales Service							
Residential				$1.241	$0.548	$0.538	$0.513
Fixed Monthly Charge				$7.50	$6.00	$6.00	$6.00
Residential Large Volume				$1.140	n/a	n/a	n/a
Fixed Monthly Charge				$200.00	n/a	n/a	n/a
Commercial/Industrial Small Volume			Reclassified	$1.157	$0.453	$0.443	$0.418
Fixed Monthly Charge				$40.00	$25.00	$25.00	$25.00
Commercial/Industrial Large Volume				$1.127	$0.395	$0.385	$0.360
Fixed Monthly Charge				$200.00	$250.00	$250.00	$250.00
Interruptible Sales Service							
Commercial/Industrial Small Volume	n/a	n/a	n/a	$1.035	$0.330	$0.320	$0.295
Fixed Monthly Charge	n/a	n/a	n/a	$175.00	$100.00	$100.00	$100.00
Commercial/Industrial Large Volume				$1.005	$0.304	$0.294	$0.269
Fixed Monthly Charge				$450.00	$275.00	$275.00	$275.00
Firm Transport Service							
Commercial/Industrial Small Volume	n/a	n/a		$0.100	$0.095	$0.095	$0.095
Fixed Monthly Charge	n/a	n/a		$40.00	$50.00	$50.00	$50.00
Commercial/Industrial Large Volume	n/a	n/a		$0.080	$0.057	$0.057	$0.057
Fixed Monthly Charge	n/a	n/a		$200.00	$275.00	$275.00	$275.00
Interruptible Transport Service	*Year 1*	*Year 2 +*					
Commercial/Industrial Small Volume	$0.1881	$0.1341		n/a	$0.060	$0.060	$0.060
Fixed Monthly Charge	$40.00	$40.00		n/a	$125.00	$125.00	$125.00
Commercial/Industrial Large Volume	$0.1661	$0.1121		n/a	$0.046	$0.046	$0.046
Fixed Monthly Charge	$450.00	$450.00		n/a	$300.00	$300.00	$300.00
Note: Base cost of NG (commodity plus demand) changed in 2006.				$0.920	$0.298		

Clean Water Surcharge History

	7/27/2008 Original Rate	8/1/2009 57.6%
Monthly Charge	$ 5.57	$ 8.78

Sanitary Sewer Utility Rate History

	1/1/2002 11%	8/1/2003 * 3%	8/1/2004 * 3%	2/1/2005 5.4%	8/1/2005 * 3%	1/1/2006 7.7%	11/1/2006 4.2%	1/1/2008 10.8%	2/1/2009 7.4%
Class I Customers (Residential) per 100 cubic feet of water consumed	$ 3.25	$ 3.35	$ 3.45	$ 3.64	$ 3.75	$ 4.04	$ 4.21	$ 4.67	$ 5.02
Class II Customers per 100 cubic feet of water consumed	$ 4.53	$ 4.67	$ 4.81	$ 5.07	$ 5.22	$ 5.62	$ 5.86	$ 6.49	$ 6.97
Class III Customers per 100 cubic feet of water consumed	$ 5.65	$ 5.82	$ 5.93	$ 6.25	$ 6.44	$ 6.93	$ 7.22	$ 8.00	$ 8.59
Fixed monthly charge	$ 5.89	$ 5.89	$ 5.89	$ 5.89	$ 5.89	$ 5.89	$ 5.89	$ 5.89	$ 5.89

*Note: Rate increases on August 1 of years 2003, 2004 and 2005 used only for infrastructure replacement and rehabilitation.

Miles of Road Construction per Year
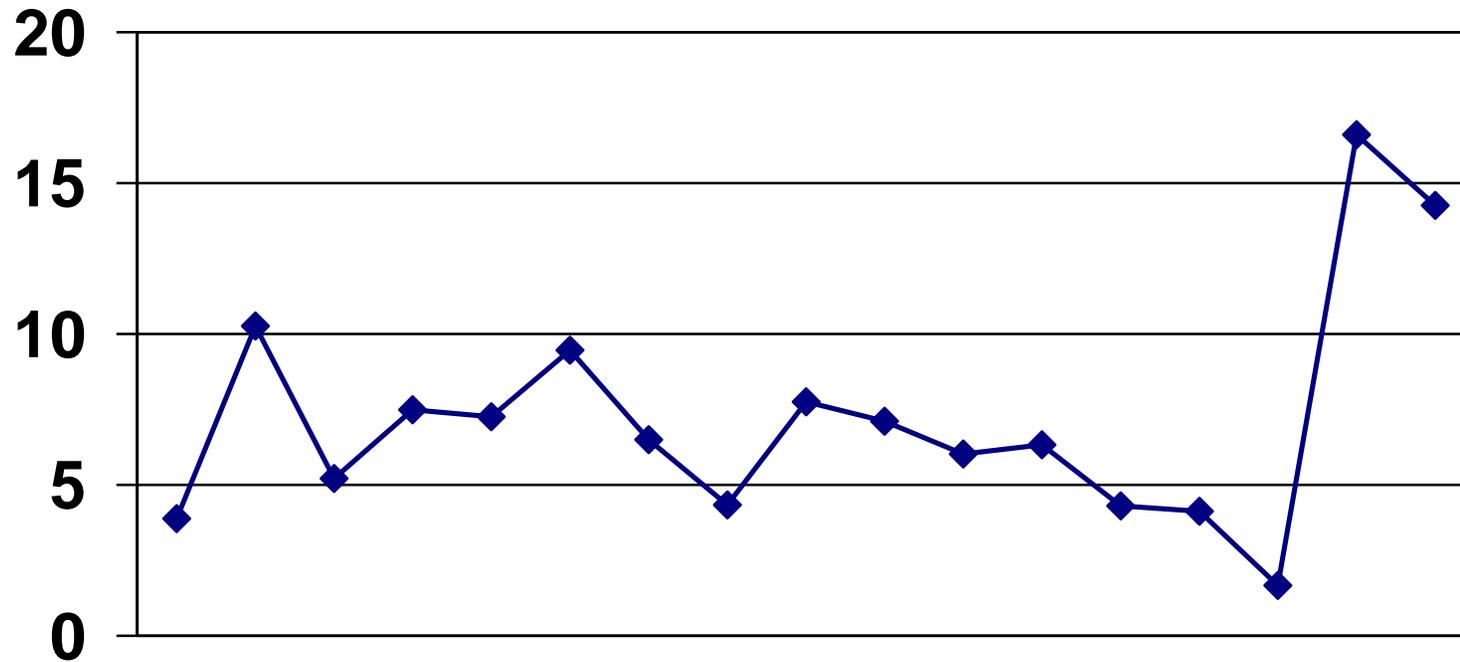
	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
◆ Miles	3.88	10.3	5.21	7.49	7.26	9.46	6.5	4.34	7.75	7.11	6.02	6.33	4.3	4.12	1.67	16.6	14.3

SWOT Analysis

Internal Strengths	Internal Weaknesses
• The competence level of the current staff is high. They know their jobs and do them well. • Computers and software are adequate for the majority of the divisions with a few exceptions. • Low employee turnover. Once hired, employees typically stay until retirement. • Local ownership of the utilities give quick response times to citizens. • Utility Operators are trained to work on all four utilities. • Employee willingness to try new initiatives. • Excellent source of water from Lake Superior. • Willingness of administration to let the department try new initiatives. • Natural gas distribution system is in good condition. • Availability of crews to respond to utility issues 24 hours a day. • The Duluth Public Utilities Commission was established to provide long-term vision and set reasonable utility rates.	• Staffing levels in the Engineering Division requires more reliance on local consulting firms. • Loss of institutional knowledge as employees retire in certain key areas. • Not much time for proactive projects as most time is spent reacting to problems and emergencies. • No standard operating procedures for many activities. • Reliance on institutional knowledge. • Slow implementation of technology initiatives due to competing priorities and lack of resources. • Deferred maintenance of City-owned buildings and facilities. • Little sharing of resources between departments. • Restrictive labor contracts. • Cumbersome Civil Service procedures.

External Opportunities	External Threats
- Rely more on automated controls for some of the utility operations monitoring through Supervisory Control and Data Acquisition (SCADA). This will let one individual be able to evaluate and control utility operations for many pump stations, lift stations, and gas controls from one centralized location. - Technology will allow us to do more with less to a certain extent. - Increase the use of GIS to manage our infrastructure assets. - Provide more job specific training to take full advantage of new technologies. - Have the ability to hire new staff before the position is vacant. This gives the new employee the opportunity to train in with the outgoing employee. - Continue to capitalize on federal and state grants for upcoming projects. - Continue to competitive bid natural gas due to two separate pipelines coming into the city.	- Unknown status of Local Government Aid from the state. - Potential budget cuts. - Potential staff cuts. - Civil Service procedures slow the hiring process. - Labor agreements sometimes make it difficult to implement efficiencies in the workforce. - Uncontrollable events such as weather and sabotage could easily disrupt city utilities. - The overall age of our infrastructure is a financial and operational threat. - Escalation in the cost of utility and road construction. - Potential future fines and development restrictions from the Consent Decree. - New storm water rules may impact development. - Increasing regulatory requirements from various agencies may inhibit development or increase utility costs.

III. OPERATIONS

Revenues

Each utility is a self-supported enterprise fund, with revenues provided by user charges. The storm water utility is fairly stable, as funding is provided by a monthly fixed fee. However, the gas, water, and sanitary fund revenues fluctuate to a greater extent due to usage patterns and other environmental factors. These three funds have a monthly fixed charge that does not change and a variable charge based on the amount of commodity used.

Total Revenues by Utility 2006-2011
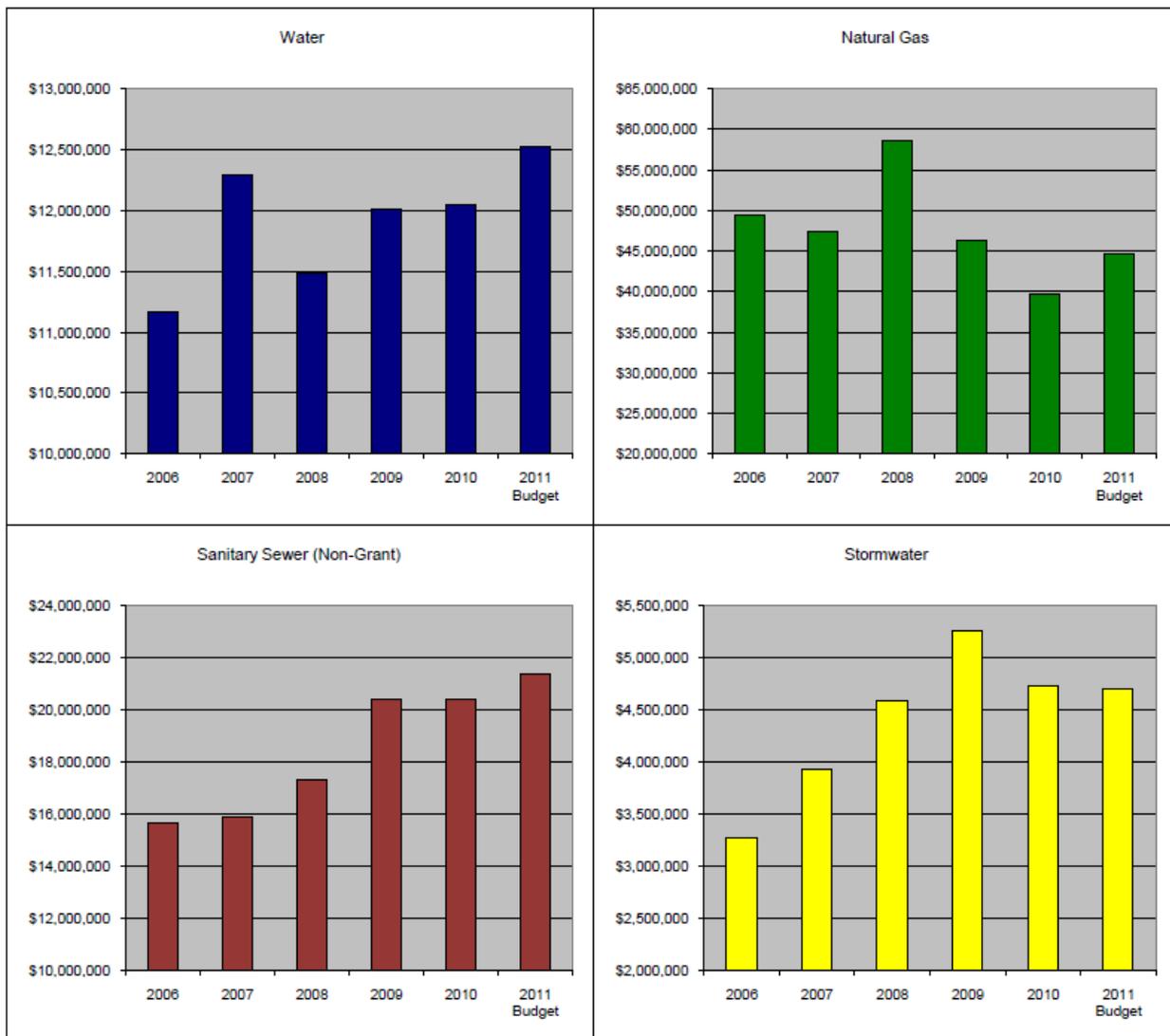
Personnel

The chart below shows the entire staff within the Public Works and Utilities Department. Fifteen of the employees are paid a monthly salary and the rest are paid hourly wages and fall under the rules of the Fair Labor Standards Act (FLSA). Many of the positions require college degrees or professional certifications either at the time of hire or at the completion of an approved apprenticeship program. The turnover rate within the department is quite low. Once an employee is hired, they typically stay until retirement. Job descriptions are updated as necessary to account for new technologies or other changes within the job.

Public Works & Utilities Department Job Classifications

	Job Classification	# of Positions		Job Classification	# of Positions
1	Director of Public Works & Utilities	1	30	Water Quality Specialist	6
2	City Engineer	1	31	Appliance Mechanic Journeyperson	13
3	Chief Engineer of Utilities	1	32	Senior Gas Control Operator	1
4	Manager, Customer Service	1	33	Warehouse Specialist	3
5	Manager, Utility Operations	1	34	Gas Fitter	2
6	Operations Manager, W&G Supply	1	35	Lift Station Operator	1
7	Chief Engineer of Transportation	1	36	Meter Mechanic	1
8	Utility Operations Supervisor	3	37	Painter	2
9	Customer Relations Supervisor	1	38	Regulator Mechanic	3
10	Measurement Services Supervisor	1	39	Engineering Technician	5
11	Chief Gas Controller	1	40	Collection System Maintenance Worker	10
12	Water Plant Supervisor	1	41	Gas Control Operator II	1
13	Aerial Lift Bridge Supervisor	1	42	Utility Operator	30
14	Utility Accounts Receivable Specialist	3	43	Utility Service Journeyperson	5
15	Paralegal	1	44	W&G Maintenance Journeyperson	6
16	Administrative Information Specialist	2	45	Water Lab Technician	1
17	Information Technician	16	46	Bridge Operator	9
18	Clerical Support Technician	3	47	Gas Control Operator I	1
19	Project Engineer	7	48	Utility Radio Dispatcher	6
20	Senior Engineering Specialist	3	49	Utility Serviceperson	8
21	Corrosion Technician	1	50	Water Plant Operator D	1
22	Gas & Energy Coordinator	1	51	Lift Station Apprentice	1
23	Project Coordinator	4	52	Utility Maintenance Worker	7
24	Utility Operations Leadworker	7	53	Meter Reader	3
25	W&G Service Leadworker	2			
26	Water Lab Chemist	1		**Total # of PWU employees**	213
27	Pipeline Welder	3		*(including vacancies)*	
28	Senior Engineering Technician	13		**Total # of PWU Job Classifications**	53
29	Water Plant Operator A	5		*(currently in use)*	

Key Expenses

The largest single expense that the Public Works and Utilities Department has is the purchase of natural gas. The purchase of natural gas is done primarily by the Chief Gas Controller and overseen by the Operations Manager for Water and Gas Supply. The Natural Gas Purchasing Committee, chaired by the Finance Director, provides purchasing guidance. Natural gas prices have been very reasonable and consistent the last few years with many new customers applying for natural gas service throughout the city.

Purchased electricity is the largest single expense associated with the operations of the water utility. Even small rate increases from Minnesota Power can cause dramatic changes to water utility expenses. Other large expenses for the water fund include chemicals for water treatment (see below) and the repair of broken water mains. Duluth had 98 water main breaks in 2010 at an average cost of $6,038.37 for a total estimated cost of around $590,000.

Total Expenditures for Water Treatment Chemicals
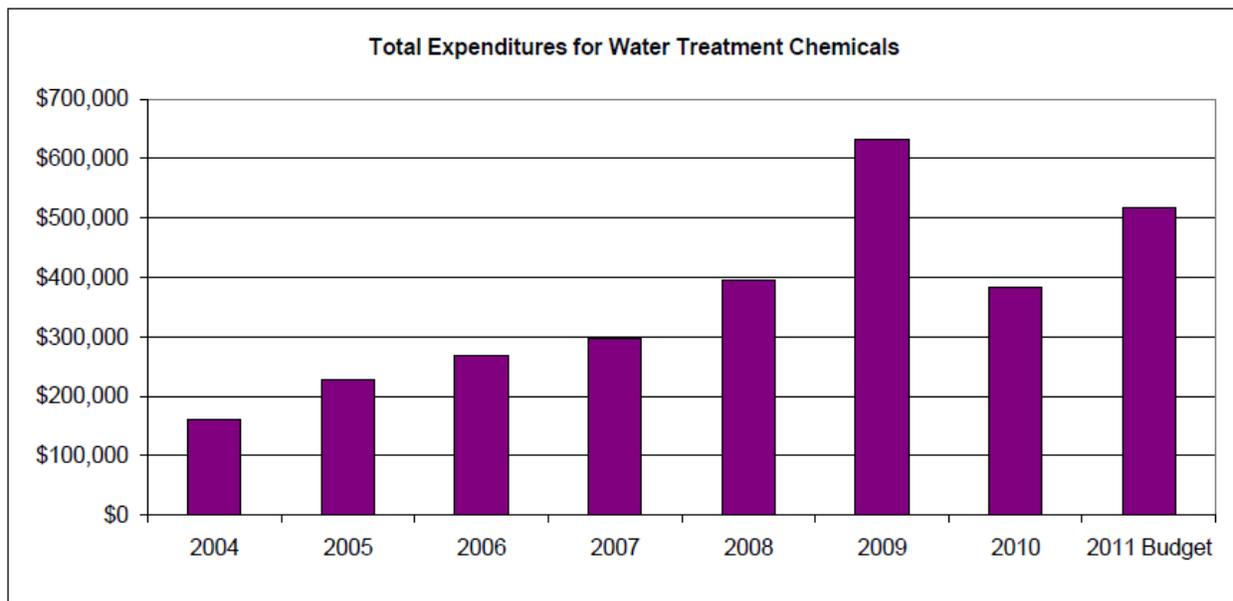
	2004	2005	2006	2007	2008	2009	2010	2011 Budget
Ammonia	$14,705	$13,699	$16,166	$16,541	$17,281	$32,194	$28,138	$29,000
Chlorine	$19,958	$29,024	$27,127	$22,248	$25,965	$20,213	$23,695	$32,000
Hydrofluorosilic Acid	$30,150	$27,303	$48,794	$70,796	$79,606	$115,285	$108,942	$114,000
Liquid Aluminum Sulfate	$34,884	$43,776	$45,927	$66,483	$90,943	$137,180	$129,480	$170,000
Liquid Caustic Soda	$54,117	$109,967	$120,838	$120,539	$173,925	$323,629	$84,782	$160,000
Nonionic Polymer	$6,540	$4,874	$8,679	$0	$8,250	$4,391	$9,200	$12,500
Total Chemicals	$160,354	$228,643	$267,531	$296,607	$395,970	$632,892	$384,237	$517,500

Summary of Electricity Costs in Water Fund 510

Water Fund 510 Total Electricity Expenses

Legend:
- Heat Tape
- Garfield Share
- Pumping

(Bar chart by Year: 2007, 2008, 2009, 2010, Budget 2011)
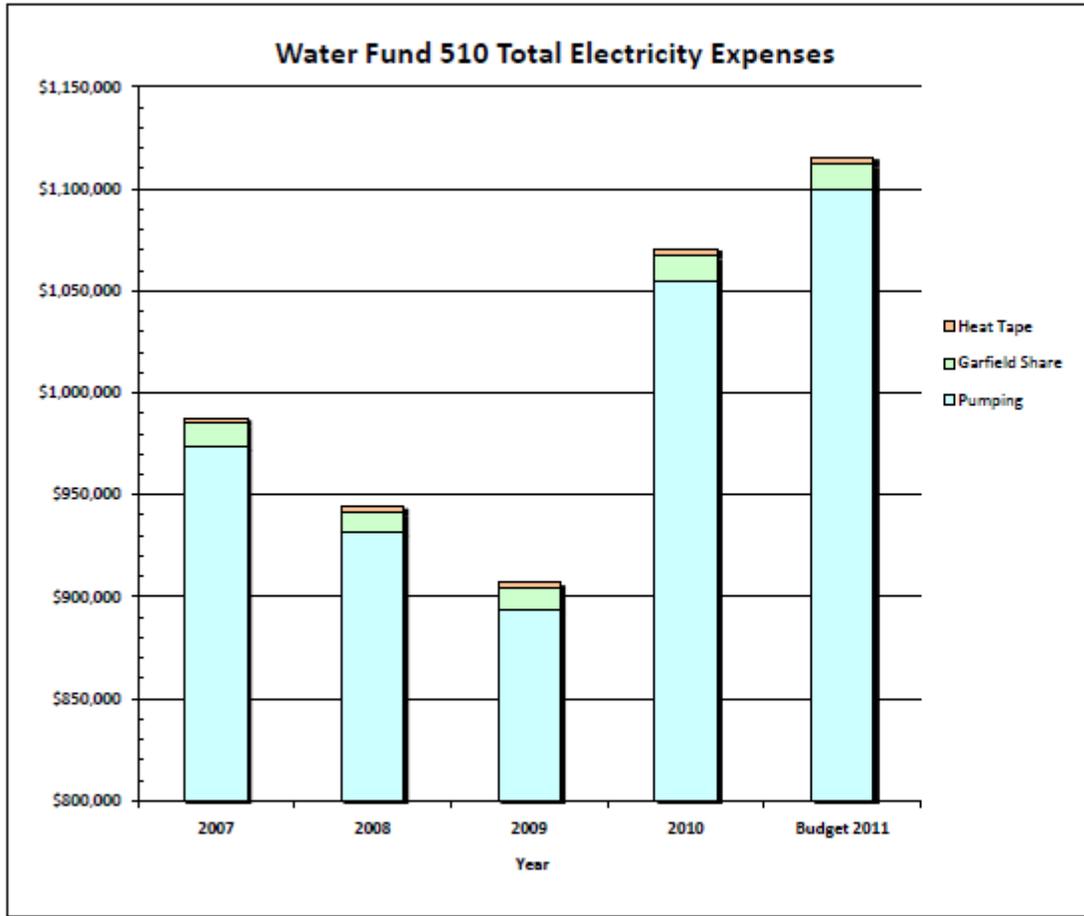
Note: 2009 Total includes credit of $54,273 received for 2008
Interim rate increase during August 2008 through July 2009.

Pump Station Accounts

Year	Amount
2007	$973,520
2008	$931,799
2009	$894,020
2010	$1,054,886

Share of Garfield Facility

Year	Amount
2007	$11,578
2008	$9,830
2009	$10,212
2010	$12,193

Heat Tape Locations

Year	Amount
2007	$2,150
2008	$2,552
2009	$2,605
2010	$3,142
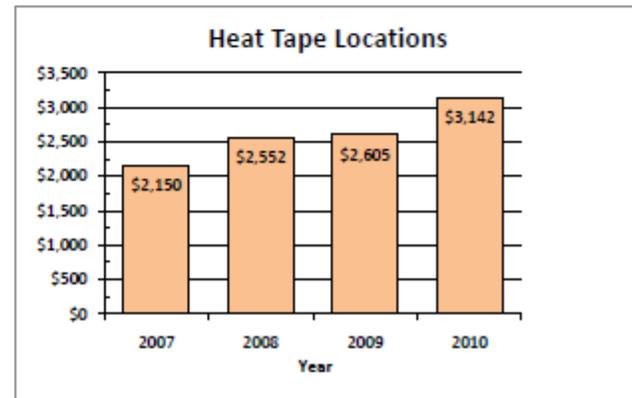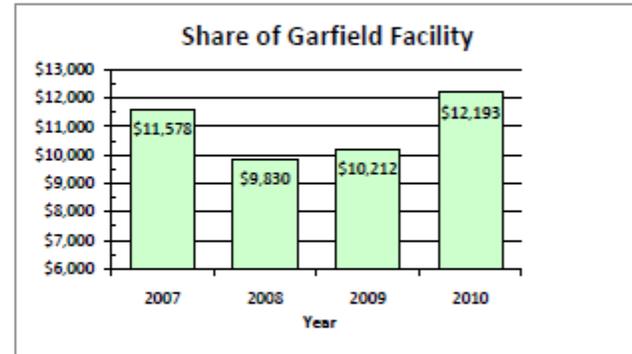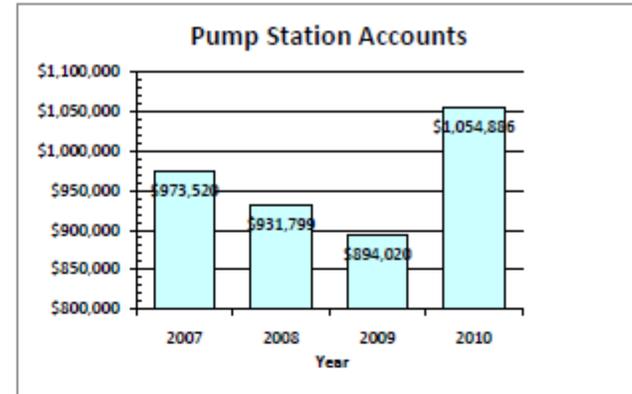
The single largest expense for the sanitary sewer utility is treatment charges to WLSSD. These charges are projected to be $8.1M, or 44% of the 2011 sanitary sewer budget. Another large expense to this fund is grants to homeowners for disconnection of footing drains and removal of house traps. These grants amounted to $1.2M in 2010, or 7% of the budget.

Total Sanitary Sewer Expenditures for WLSSD Testing and Treatment

	2004	2005	2006	2007	2008	2009	2010	2011 Budget
Treatment Charges	$6,429,310	$6,615,519	$6,950,516	$7,311,541	$7,805,462	$8,469,042	$7,478,829	$8,063,200
Testing	$149,207	$155,580	$179,146	$190,482	$101,130	$204,419	$216,985	$217,000
Total Testing & Treatmen	$6,578,517	$6,771,099	$7,129,662	$7,502,023	$7,906,592	$8,673,461	$7,695,814	$8,280,200
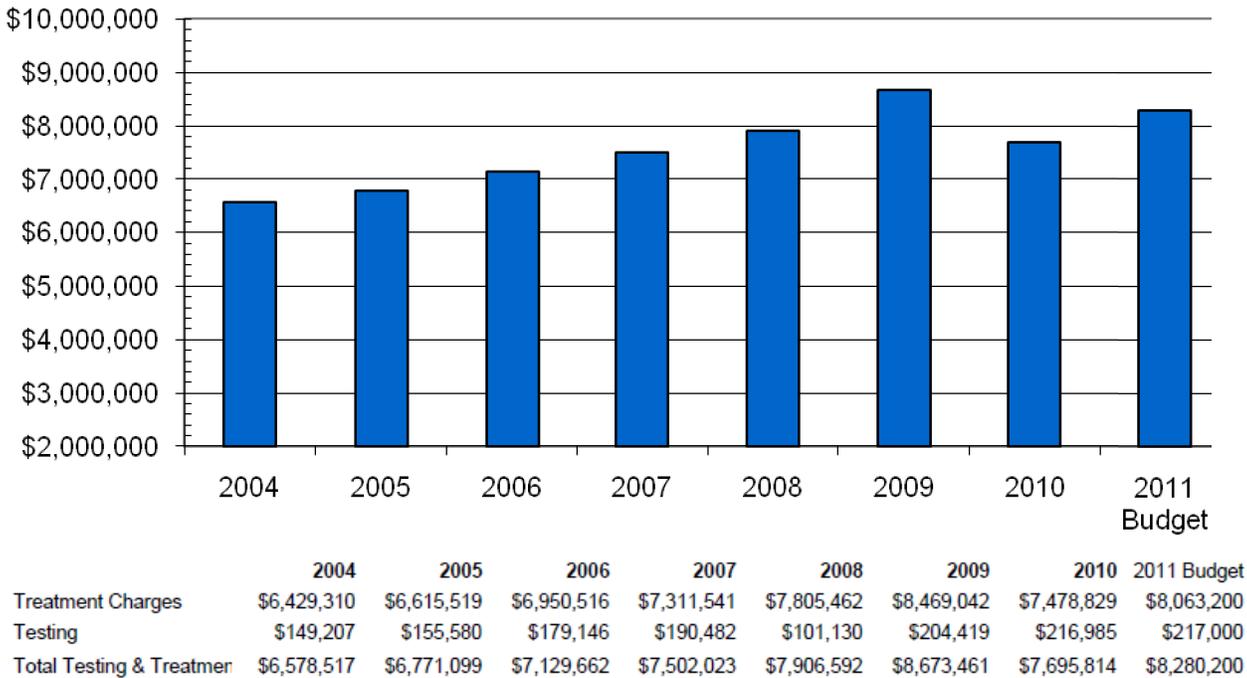
Capital projects are the largest expense for the storm water utility. These projects tend to be reactive. The utility has capital projects that are programmed each year but typically some unpredicted problem shows up that needs emergency repair, pushing the programmed projects out further into the future. Another large expense is for street cleaning operations. Each year the storm water utility transfers $475,000 to the general fund to pay for sweeping operations. This accounted for 11% of the overall storm water budget in 2010. The storm water fund also pays approximately $175,000 each year to purchase a new street sweeper, which increases street cleaning costs to approximately 15% of total expenses.

Locations & Facilities

The Public Works and Utilities Department has four work locations that are staffed on a daily basis. There are numerous other locations scattered throughout the city that are staffed only when necessary to accomplish specific work. These locations would include water and sanitary sewer pump stations, water reservoirs, and gas regulator stations.

The Engineering Division is located on the second floor of City Hall and has hours of operation from 8:00 a.m. to 4:00 p.m. Monday through Friday.

The Aerial Lift Bridge is located on Lake Avenue and the ship canal. The bridge is staffed 24 hours a day.

The Water Treatment Plant is located at the intersection of Lakewood Road and Scenic Highway 61. The site is broken down into two separate buildings. The pump building is located on the lake side of the road and the treatment building is located on the uphill side of the road. Both of these buildings have a security fence around them and are staffed 24 hours a day.

Lakewood Treatment Plant   Lakewood Pump Station

The Garfield Service Center is located at 520 Garfield Avenue. This building is the home to Utility Operations, Customer Service, and Gas Supply. Normal business hours are 8:00 a.m. to 4:30 p.m. Monday through Friday. This facility is staffed 24 hours a day by the Customer Service dispatch desk and also by Gas Control during the winter months.

The City of Duluth owns, operates, and maintains 26 natural gas regulator sites throughout the city. The following chart lists these stations. These sites are designed to control and regulate the pressure and flow of natural gas throughout the natural gas distribution system. For an average year, the City of Duluth will flow approximately five billion cubic feet of natural gas to over 26,000 customers. The City operates and maintains over 500 miles of pipeline with pressures ranging from transmission line pressures of +900 PSI (pounds per square inch) to distribution pressures of as low as 20 PSI.

Gas Regulator Stations

PSIG No	Location	Size	Type	Orifice	Relief	Pressure	Year Installed
1	*TBS #1-A	2"	ET	1 5/16/Restr	6"-63f	800-125	NNG
	New Duluth	2"	ET	1 5/16/Restr	6"-404	800-125	NNG
2	*TBS #1-B (Fisher) Airport	2"	ED	2 5/16	1-6"-399	589-125	NNG
3	*TBS #1	3"	ET	2 5/8/Restr	6"Grove	832-123.5	NNG
	Hermantown	4"	ET	2 7/8/Restr & 60% Travel	6"Grove		
25	West Duluth	2"	99	7/8"	2" 63EG	66#-21.0#	1981
27	West Duluth	2"	99	1 1/8"	2" 63EG	66#-21.0#	1989
34	West Duluth	3"	1098EGR	3"	F70RR 4' x6" (Flow Safe)	66#-21.5	1994
35A	West Duluth	2"	99	7/8"	2" 63FV	66#-21.5#	1978
43	West Duluth	2"	99	7/8"	2" 63FV	66#-20.0#	2002
52	Piedmont Heights	2"	99	7/8"	2" 63EG	66#-21.2#	1989
54	Piedmont Heights	6"	2-1098EGR	8"	1-6" 63EG 1-6" 63FV	123.5#–66#	2003
55	Lincoln Park	2"	1098EGR	2"	4" 63FV	66#-21.5#	1991

No	Location	Size	Type	Orifice	Relief	Pressure	Installed
60	Lincoln Park	3"	1098EGR	3"	F70PR 4" x6" (Flow Safe)	66#-21.2#	1999
61	Port terminal	2"	99	7/8"	2" 63FV	66#-20.0#	1999
62	Downtown	4"	1098EGR	4	6" 63EG	66#-20.7# **PISG**	1999 **Year**
82	Duluth Heights	2"	1098EGR	2	4" 63EG	66#-20.8#	1991
90	Miller Hill	2"	99	1 1/8"	2" 63FV	66#-19.5#	
116	Kenwood	2"	99	7/8	2" 63FV	66#-21.0#	1999
120	Mount Royal	6"	1098EGR	6"	6" 63FV	66#-21.5#	1987
135	Woodland	3"	1098EGR	3"	F70PR 4" x6" (Flow Safe)	66#-21.5#	2002
133	Kenwood	2"	1098EGR	2"	3" 63EG	66#-21.0#	1989
160	Morningside	3"	1098EGR	3"	3" 1098EGR	66#-21.0#	2003
201	Airport	2"	1098EGR	2"	3" 63EG	125#-63#	2000
203	**West Duluth	6"	1098EGR	6"	1098EGR	125#-63#	2002
205	+Rice Lake Township	4"	1098EGR	4"	6" 63EG	125#-63	2000
206	+Rice Lake Township	4"	1098EGR	4"	6" 63EG	125#-63#	2000
210	Rice Lake Township	4"	1098EGR	4"	6" 63EG	125#-63#	2001
215	New Duluth	2"	1098EGR	2"	3" 63EG	125#-63#	2002
301	Great Lakes Reg Sta New Duluth	2"&3"	EZR	2"	2" H203-150	974#-423#	2003*

* Not counted on system, ** Monitor Station, + One is always off   **TOTAL REGULATOR STATIONS: 26**

Photos of Various Natural Gas Regulator Stations

Great Lakes Regulator Station, New Duluth

Riveness Regulator Station, Piedmont Heights

Town Border Station 1A, New Duluth

Town Border Station 1B, Airport

The City of Duluth owns, operates, and maintains the Lakewood Water Treatment Plant, 19 water reservoirs, 11 water pumping stations, and over 400 miles of water distribution pipeline. The City treats, stores, and delivers over 6 billion gallons of potable water to over 30,000 customers per year, which includes the cities of Hermantown, Proctor, and Rice Lake Township. The water system can store approximately 70 million gallons of water in its reservoirs. The following charts and photos show the City's water reservoirs and tanks and water pumping stations.

Water Reservoirs and Tanks

Location	Capacity Gallons	Overflow Elevation	Greatest Depth	Dimension	Remarks
Lakeside Tank	100,000	500.00 Feet	23.75 Feet	Diameter 27 Feet	Built in 1961
34th Avenue East "Reservoir "A"	16,320,000	294.00 Feet	31.50 Feet	284 Feet x 391 Feet	Built 1898, Rebuilt 1938
Endion Reservoir	14,140,000	290.00 Feet	27.80 Feet	240 Feet x 320 Feet	Built by G & W Company Rebuilt 1922 New Roof 1966 Lined 1988
West End Reservoirs #1-6	10,200,000	290.00 Feet	33.00 Feet	Diameter 100 Feet	Built 1953
West Duluth Reservoir	10,000,000	289.75 Feet	21.00 Feet	327.3 Feet x 263.3 Feet	Built 1906 Remodeled 1925
Middle System - Reservoir #1	5,171,000	560.00 Feet	28.00 Feet	Diameter 187.38 Feet	Built 1913 New Roof 1928 Lined 1988
Middle System - Reservoir #2	5,131,000	560.00 Feet	25.00 Feet	Diameter 190 Feet	Built in 1951
Woodland Reservoir #1	1,021,000	806.00 Feet	22.00 Feet	Diameter 91.5 Feet	Built in 1915 Lined 1939 Refaced 2002
Woodland Reservoir #2	2,015,000	806.00 Feet	35.50 Feet	Diameter 100 Feet	Built in 1950 Lined 2000 Refaced 2002
Arlington Reservoir #1	240,490	806.00 Feet	27.00 Feet	Diameter 40 Feet	Built in 1925
Arlington Reservoir #2	1,534,000	806.00 Feet	27.50 Feet	Diameter 100 Feet	Built in 1950
Orphanage Tank #1	400,000	916.00 Feet	129.40 Feet	Diameter 51.5 Feet	Built 1994
Gary Standpipe					Removed September 1999
Highland Tank #1	100,000	931.00 Feet	22.00 Feet	Diameter 30 Feet	Built 1954
Highland Tank #2	400,000	931.00 Feet	35.00 Feet	Diameter 46 Feet	Built 1972
Bay View Heights Steel Tank	100,000	550.00 Feet	26.00 Feet	Diameter 26 Feet	Built 1972
Proctor Tank	400,000	833.00 Feet	142.00 Feet	Diameter 51.5 Feet	Built 1989
TOTAL	67,272,490				

Water Pumping Stations

Station	Source of Supply	Reservoirs Discharged Into	No. Units and Year Installed	Make of Pump	Type of Pump	Unit No.	Pumps Driven By	R.P.M.	Average Capacity G.P.M. Each Unit	Average Total
Lakewood Low Lift	Lake Superior	Lakewood	1 -- 1992	Patterson	Single Stage Centrifugal	2	1 Unit direct connected to 300 hp, 2300 volt, 60 cycle, GE Induction motor.	900	17400	56
			1 -- 1949	DeLaval		4	1 Unit direct connected to 350 hp, 2300 volt, 60 cycle, GE Induction motor	440	20800	51
			1 -- 1981	Worthington	Single Stage	1	1 Unit direct connected to 200 hp, 2300 volt, 60 cycle, GE Induction motor	500	11389	51
Lakewood High Lift	Lakewood (Detention Basin)	Reservoir A Endion, West End, & West Duluth	1 -- 1992	Patterson	Single Stage Centrifugal	2	2 Unit direct connected to 1500 hp, 2300 volt, 60 cycle GE Induction motor with VFD and fixed controller	1200	17400	280
			1 -- 1949	DeLaval	Two Stage Centrifugal	4	2 Unit direct connected to 2000 hp, 2300 volt, 60 cycle, GE synchronous motor, with direct exciter	720	20800	318
			1 -- 1981	Worthington	Single Stage	1	1 Unit direct connected to 1000 hp, 2300 volt, 60 cycle GE capacitor induction motor	1185	11389	276
Middle	Reservoir A and Endion	Middle Service	1 -- 1950	Allis-Chalmers	Single Stage, Two Unit, Centrifugal	3	Direct connected to 400 hp, 2300 volt, 60 cycle, Allis-Chalmers synchronous motor, with direct connected exciter	1800	4000	317
			1 -- 1969	Aurora	Single Stage, One Unit, Centrifugal	4	Direct connected to 250 hp, 2300 volt, 60 cycle, 3-phase Louis Allis Induction motor	1750	2500	300
			1 -- 1986	Fairbanks-Morse	Single Stage, One Unit, Centrifugal	5	Direct connected to 250 hp, 2300 volt, 60 cycle, 3-phase Siemens-Allis motor	1785	2600	290
Woodland	Reservoir A	Woodland & Arlington Reservoir	1 -- 1950	Allis-Chalmers	All Units Single State, Two Unit, Centrifugal	3	Direct connected to 500 hp, 2300 volt, 60 cycle, Allis-Chalmers synchronous motor, with direct connected exciter	1800	2050	596
			1 -- 1986	Fairbanks Morse Co.		4	Direct connected to 300 hp, 2300 volt, 60 cycle, Siemens-Allis Induction motor	1775	1720	560
			1 -- 1975	Aurora #421	Two Stage, Centrifugal	5	Direct connected to 240 hp, 2300 volt, 60 cycle, 3-phase Marathon Induction motor	1750	1250	555

West Duluth	Reservoir A, Endion & West	West Duluth Reservoir & West Duluth System	2 -- 1993	Fairbanks-Morse	All Units Single Stage	2	200 hp, 460 volt, 60 cycle 3-phase WEG NEMA Premium Induction motor, with VFD drive	1200	6000	70
Orphanage	Woodland Reservoirs	Orphanage Tanks	1 -- 1961	Worthington Type L-2	Single Stage Centrifugal	5	Direct connected to 40 hp, 440 volt, 60 cycle, U.S. Induction motor	1750	1000	125
			1 -- 1961		Single Stage Centrifugal	6	Direct connected to 40 hp, 440 volt, 60 cycle, U.S. Induction motor	1750	1000	125
Highland	Arlington Reservoirs	Highland Tanks	1 -- 1955	DeLaval	Single Stage, Single Suction Centrifugal	3	Direct connected to 10 hp, 440 volt, 60 cycle, 3-phase, GE Induction motor	3475	200	136
			1 -- 1955	DeLaval	Single Stage, Single Suction Centrifugal	4	Direct connected to 20 hp, 440 volt, 60 cycle, 3-phase, GE Induction motor	3500	350	136
			1 -- 1959	Fairbanks-Morse	Single Stage, Double Suction Centrifugal	5	Direct connected to 50 hp, 440 volt, 60 cycle, 3-phase Fairbanks-Morse Induction motor	1750	1000	140
			1 -- 1959	Fairbanks-Morse	Single Stage, Double Suction Centrifugal	6	Direct connected to 50 hp, 440 volt, 60 cycle, 3-phase Fairbanks-Morse Induction motor	1750	1000	140
Arlington	Middle Reservoirs	Arlington Reservoirs	Mar-10	Aurora Type 411 BF Size 6x8x20	Single Stage Centrifugal	3	250 hp, 460 volt, 60 cycle 3-phase Baldor Induction motor with VFD drive	1750	1700	270
Lakeside	Two 10" Mains	Lakeside Tank	2 -- 1961	Worthington Type L-3	Single Stage Centrifugal	1 2	Each unit direct connected to 100 hp, 440 volt, 60 cycle, 3-phase U.S. Induction motor	1750	1000	240
Bay View	West Duluth Reservoir	Bay View Tank	2 -- 1973 2-- 2002	Aurora	Single Stage Centrifugal	1 2	Each unit direct connected to 125 hp, 440 volt, 60 cycle, 3-phase U.S. Induction motor	3500	1200	320
Proctor	Bay View Tank	Proctor Standpipe	2 -- 1973	Aurora	Single Stage Centrifugal	1 2	Each unit direct connected to 125 hp, 440 volt, 60 cycle, 3-phase Louis Allis motor	3500	1200	320

Photos of Various Water Pumping Stations

Arlington Pump Station

Interior of Middle Pump Station

Photos of Various Storage Tanks

Lakeside Storage Tank

Endion Storage Tank

The City of Duluth owns, operates, and maintains 49 wastewater pumping stations. Included in this number are four storage facilities with 6.3 million gallons or storage capacity. The function of these pumping stations is the conveyance of wastewater from our customers to the Western Lake Superior Sanitary District treatment facility located at 2626 Courtland Street. The following charts and photos show the City's sanitary sewer pumping stations.

Sanitary Sewer Pumping Stations

	Station Location	Station Type - Year Updated	Daily Flow Basin No.	Wet Well Capacity	Pump Cap. GPM each unit	Pump Mfg.	Motor HP	Motor Voltage - Phase	Motor F.L.A.	Force Main Size	Force Main Discharge Location	Aux. Power Gen. Set No.
1	215 S. 60th Ave. E.	Triplex Submersible	305280 gal.	301397 gal.	1 - 1700	KSB	1 - 83 hp	480	105	10"	5005 London Rd.	Permanent Onsite
					2 - 1700		2 - 83 hp					
					3 - 1700		3 - 83 hp					
		2006	1					3			SA0880119	
2	20 Lakeside Ct.	Simplex Wet well, dry well	2160 gal.	927.6 gal.	81	Worthington	3 hp	240	8.75	3"	55th Ave. E.	2766
											Lakeside Ct &	
											London Rd.	2770
		1932	1					3			SA0880117	
3	35 S. 45th Ave. E.	Triplex Submersible	397872 gal.	N/A	1 - 1200	KSB	1 - 34 hp	480	1 - 47.5	16"	Lower side of	2765
					2 - 1200		2 - 34 hp		2 - 47.5		London Rd. on	
					3 - 265		3 - 10 hp		3 - 15.1		42nd Ave. E.	2767
		1999	4					3			SD1210001	
4	720 S. 23rd Ave. E.	Duplex Submersible	3024 gal.	927.52 gal.	1 - 100	KSB	1 - 5 hp	208	1 - 15.4	4"	23rd Ave. E. &	2766
					2 - 100		2 - 5 hp		2 - 15.4		Water St.	
												2770
			6					3			SW0430011	
5	715 S. 22nd Ave. E.	Simplex Submersible	720 gal.	97.3 gal.	1 - 67.42	Flygt	1.9 hp	240	9	3"	22nd Ave. E. &	2770 (1)
											Water St.	
												2766 (2)
		1970	6					1			SW0430012	
6	200 Lake Place Dr.	Wet well Dry well Pump 1 - 1970s	1106064 gal.	9313.8 gal.	1 - 2400	Chicago	40 hp	240	1 - 98	24"	1st Ave. E. &	2765 (1)
					2 - 1800				2 - 98		1st St.	
					3 - 1800				3 - 98			1
		Pumps 2&3 - 1980s	16					3			CH0460269	
7	528 Lake Ave. S.	Duplex Submersible	78048 gal.	N/A	1 - 400	KSB	6.5 hp	208	23	6"	Northeast side of	2765
					2 - 400		6.5 hp		23		station	
						(+ mixer)	5.4 hp		18.2			2767
		2006	16					3			SA1090003	
8	729 Lake Ave. S.	Wet well Dry well 1983 & 1987	228960 gal.	8863.8 gal.	1 - 808	Fairbank Morse	30 hp	480	37.7	8"	Northeast side of	2765
					2 - 808						station #7	
												2767
		new pumps & motors	15					3			SA109003	
9	1202 Minnesota Ave.	Wet well Dry well New motors	165888 gal.	3941 gal.	1 - 702	Fairbank Morse	1- 10 hp	240	27.2	10"	11th St. &	2766 (1)
					2 - 702						Lake Ave.	
												2770 (2)
		1985	15					3			SA1090015	one pump only
10	1939 Minnesota Ave.	Duplex Submersible	N/A	N/A	1 - 207.7	KSB	1 - 2.4 hp	208	8.7	4'	20th St. &	2770 (1)
					2 - 247.1		2 - 2.4 hp				Minnesota Ave.	
												2766 (2)
		1996	15					3			SA0009	

No.	Address	Type/Year	Capacity	Capacity 2	Pump	Manufacturer	HP	Voltage/Phase	Amps	Pipe	Location/Permit	Ref
11	2845 Minnesota Ave.	Duplex Submersible	N/A	N/A	1 - 164.4 2 - 161.4	KSB	1 - 2.4 hp 2 - 2.4 hp	208	39301	4"	29th St. & Minnesota Ave.	2770 (1) 2766 (2)
		1996	15					3			SA1110002	
12	3539 Minnesota Ave.	Duplex Submersible	80640 gal.		1 - 170 2 - 170 (approx.)	KSB	1 - 1.75 hp 2 - 1.75 hp	208	1 - 6.9 2 - 6.9	4"	36th St. & Minnesota Ave.	2770 (1) 2766 (2)
		1996	15					3			SA1110013	
13	432 Railroad St.	Duplex Submersible	N/A	N/A	1 - 650 2 - 650 1&2 - 710	KSB	1 - 12.8 hp 2 - 12.8 hp	480	1 - 19 19-Feb	12"	11th Ave. W. & Railroad St.	2765 2767
		1995	16					3			SW0400031	
14	735 Garfield Ave.	Wet well Dry well ~1940	50,976 gal.	2,476 gal.	1 - 163 2 - 276	Worthington	1 - 3 hp 2 - 7.5 hp	240	1 - 9.5 2 - 18.5	8"	Michigan St.	2766 2770
			18					3			SA0310022	
15	2132 Michigan St.	Triplex Wet well Dry well ~1975	248,688 gal.	N/A	1 - 2400 2 - 2400 3 - 2400	Chicago	1 - 40 hp 2 - 40 hp 3 - 40 hp	480	54	10"	23rd Ave. W. below Michigan St.	2765
			18					3			SW0310030	
16	210 S. 37th Ave. W.	Wet well Dry well 1993-95 new pumps & motors	572,544 gal.	4,630 gal.	912 avg. both pumps	Yeomans	1 - 15 hp	240	1 - 40	10"	37th Ave. W. above Oneota St.	2765 2767
			23					3			SW0300016	
17	4100 Oneota St.	Duplex Submersible ~1975	243,072 gal.	N/A	1 - 1000 2 - 1000	KSB	1 - 10 hp 2 - 10 hp	240	1 - 32.5 2 - 32.5	8"	Oneota	2767 2765
		2001	23					3			SW0290038	
18	700 S. 63rd Ave. W.	Duplex Submersible	N/A	N/A	1 - 58.56 2 - 54.92	KSB	1 - 1.75 hp 2 - 1.75 hp	208	1 - 6.9 2 - 6.9	6"	63rd Ave. W.	2770
		1996	26					3			SA0180041	
19	107 Spring St. South	Duplex Submersible	2880 gal.	409 gal.	1 - 73.7 2 - 79.2	Meyers	1 - 2 hp 2 - 2 hp	240	1 - 3.2 2 - 3.2	4"	Below RR tracks	2770 2766
		1984	28								SW1230034	
20	1325 Hilton St. New	Duplex Submersible 2004			1 - 169 2 - 160	KSB	1 - 5 hp 2 - 5 hp	208	1 - 17.7		Hilton	
								30			SA0090036	

#	Address	Type	Vol 1	Vol 2	Pump	Mfr	HP	Volt	Amps	Pipe	Location	Code
21	11 Commonwealth Ave.	Duplex Wet well Dry well 2007	3,600 gal.	480 gal.	1 - 125 2 - 96.0	Chicago	2 - 5 hp 3 - 5 hp	240	2 - 13.4 3/13/2004	4"	Commonwealth & Prescott St.	2770 2765
		30						3			SA0030035	
22	629 Walnut St.	Duplex Submersible	43,344 gal.		1 - 180 2 - 135.3	KSB	1 - 5 hp 2 - hp	240	1 - 29.2 2 - 10.1	4"	Walnut St. & Eklund Ave.	2770 2766
		2002	33		1-2:337.6			3			SA0730023	
23	346 E. Owatonna St.	Duplex steel shell Submersible	3,168 gal.	295.5 gal.	1 - 120.6 2 - 131.3	Flygt	1 - 3.8 hp 2 - 3.8 hp	240	14	4"		2766 2770
		~1975	11					1			SA0960002	
24	No longer operational											
25	4634 Woodland Ave.	Duplex Submersible 2001	8352 gal.		1 - 2 -	KSB	1 - 15 hp 2 - 15 hp	240	1 - 52 2 - 52		Woodland Ave. near Vassar St.	
			11					3			SA1000001	
26	1015 Jean Duluth Rd.	Duplex Submersible 1999	49,680 gal.		1 - 175 2 - 175	KSB	1 - 16.5 2 - 16.5	240	1 - 52 2 - 52	4"	Woodbury Lane	2767 2765
			5					3			SA0860115	
27	835 E. Superior St.	Duplex Submersible 1984	4320 gal.	145.9 gal.	1 - 46.8 2 - 49.4	Myers	1 - 2 hp 2 - 2 hp	240	1 - 7.5 2 - 7.5	3"	Superior St.	2766 2770
			13					3			SA0420086	
28	4937 Airport Rd.	Duplex Submersible 1998	17,136 gal.	N/A	1 - 150 2 - 150 rated from factory	KSB	1 - 3.4 hp 2 - 3.4 hp	240	1 - 10.2 2 - 10.2	4"	Washington St.	2770 2766
			22					3			SA1170006	
29	15 N. 7th Ave. E.	Duplex Submersible 1984	5184 gal.	456.3 gal.	1 - 159 2 - 159 (approx.)	Flygt	1 - 3 hp 2 - 3 hp	240	1 - 9 2 - 9	4"	1st St. Alley east of station	2770
			13					3			SA0470148	
30	2939 Morris Thomas	Duplex Submersible 1989	14,112 gal.	377.8 gal.	1 - 120.6 2 - 124.6	Flygt CP3102	1 - 5 hp 2 - 5 hp	240	1 - 13 2 - 13	6"	Morris Thomas W. of Keel	2766 2770
			20					3				

31	3822 Haines Rd.	Duplex Submersible 1989	13,104 gal.	658.3 gal.	1 - 200.5 2 - 154.3	Flygt CP3102	1 - 5 hp 2 - 5 hp	240	1 - 13 2 - 13	6"	Hutchinson Rd. near Piedmont	2766
		21						3				2770
32	3862 Haines Rd.	Duplex Submersible 1989	5,472 gal.	613.4 gal.	1 - 138.9 2 - 155.3	Flygt CP3102	1 - 5 hp 2 - 5 hp	240	1 - 13 2 - 13	4"	Haines Rd. south of Piedmont	2766
		21						3			SA0600093	2770
33	11503 Hwy #23	Duplex Submersible 1995	NA	420 gal.	1 - 140 2 - 140 (estimated)	KSB	1 - 3 hp 2 - 3 hp	208	1 - 9.8 2 - 9.8	4"	Peary St. in woods before access rd. SA0030061	2766 2770
34	2706 Parkwood Lane	Duplex Submersible 1993	NA	433.9 gal.	1 - 166 2 - 166	Flygt CP3127	1 -10 hp 2 - 10 hp	480	1 - 13 1 - 13	4"	Hanford Ave. N. of Station	2767
		20						3			SA0560093	2765
36	412 Hastings Dr.	Duplex Submersible 1992	1,152 gal.	980 gal.	1 - 195.4 2 - 196.7	Flygt CP3127X	1 - 10 hp 2 - 10 hp	240	1 - 26 2 - 26	Twin 4"	Ewing & Marshall St.	2767
		11						3			SA0900005	2765
37	1031 London Rd.	Duplex Submersible 1984	3,888 gal.	441.4 gal.	1 - 186.5 2 - 191.9	Flygt CP3085	1 - 3 hp 2 - 3 hp	208	1 - 10 2 - 10	4"	E. Superior St.	2766
		13						3			SA0420080	2770
38	4600 Minnesota Ave Park Point	Duplex Submersible	288 gal.	1241.8 gal	1 - 175.7 2 - 46	Flygt CP3085 Meyers	1 - 2.3 hp 2 - 0.5 hp	240	1 - 10.2 2 - 4.3	6"	Park Point Rec Area MH	2766
		16						1			SA1120015	2770
39	7301 Grand Ave.	Duplex Submersible 1988	20,880 gal.	643.2 gal	1 - 306.3 2 - 313.8	Flygt	1 - 5 hp 2 - 5 hp	240	1 - 13 2 - 13	6"	Grand Ave.	2766
		23						3				2770
40	1200 Port Terminal Dr.	Steel shell dry well with 6' concrete wet well	36, 864 gal.	534.9 gal.	1 - 286.6 2 - 281.5	Fairbanks Morse	1 - 7.5 hp 2 - 7.5 hp	240	1 - 22.6 2 - 22.6	8"	Near Sta #14	None
		18						3			SA0320008	

#	Address	Type/Year	Capacity		Pumps	Mfr	HP	Voltage	Amps	Size	Location	No.
41	1037 Joshua Ave.	Duplex Submersible	8928 gal.		1 - 400 2 - 400	KSB	1 - 15 hp 2 - 15 hp	240	1 - 43.5 2 - 43.5	6"	Joshua Ave. & Maple Grove	2767
												2765
			22					3			SA0680029	
42	4551 Stebner Rd.	Duplex Submersible 1996	NA	NA	NA	KSB	1 - 5 hp 2 - 5 hp	480	1 - 7.8 2 - 7.8	4" 6"	Airport Approach & Airport Rd.	2767
												2765
			22					3			SD1180032	
43	11600 Perch Lake Dr.	Duplex Submersible 2000			1 - 100 2 - 100 3 - 150	KSB	1 - 15 hp 2 - 15 hp	240	1 - 43.5 2 - 43.5			2767
												2765
								3			SA1280001	
44	12800 W. 5th St.	Duplex Submersible 2000			1 - 180 2 - 180 3 - 200	KSB	1 - 10 hp 2 - 10 hp	208	29 29	6"	Lift Station #43	2767
												2765
								3				
45	52nd Ave. E. & Dodge St.	Triplex Submersible 2005		2 MG	1 - 1100 2 - 1100 3 - 1100	KSB	1 - 32 hp 2 - 32 hp 3 - 32 hp	480	39	12"	47th Ave. E. & Superior St.	Permanent on site
								3			SW0830136	
46	Grinder Pump #1 (behind) 1467 88th Ave. W.	Duplex Submersible Grinder ~2005				Barnes	1 - 2 hp 2 - 2 hp	208	9.2 9.2	1.25"		
								3				
47	Grinder Pump #2 9239 Idaho St.	(in Bethany Crisis Shelter) ~2005				Barnes						
48	Grinder Pump #3 2501 Commonwealth Ave.	(9) 723-3870 ~2005				Barnes						
49	Beacon PT 21st Ave. E. & Water St.	Private 724-4053										
50	505 S. 18th Ave. E. & Lakewalk (Endion St.)	StorageBasin 2007		1 MG	No Pumps	Gravity In Gravity Out						

Photos of Various Sanitary Sewer Pumping Stations

Legal Issues

The Public Works and Utilities Department is one of the most highly regulated departments in the City. All four utilities have some type of oversight or permit requirements by either the State of Minnesota or federal agencies.

The natural gas utility must follow Minnesota Office of Pipeline Safety standards as well as Federal Office of Pipeline Safety standards. The utility receives an audit annually to ensure compliance with current laws. The utility also has an internal Operation and Maintenance Manual that must be followed.

The water utility must follow strict rules and regulations from the state concerning drinking water. The utility has a Water Chemist and a Lab Technician that ensure the water is tested at the prescribed intervals and that the water does not exceed any thresholds for various tests. The state conducts quality assurance tests to verify that our internal tests are accurate and reliable.

The sewer utility is regulated primarily by the Minnesota Pollution Control Agency and the Federal Environmental Protection Agency. The City of Duluth agreed to a Consent Decree with these two agencies stating that the City will eliminate all sanitary sewer overflows by 2016. The Consent Decree has numerous requirements that must be accomplished, some of which are: the construction of sanitary sewer overflow tanks, private home footing drain disconnections and sump pumps, private home lateral line rehabilitations, and some development restrictions. The Western Lake Superior Sanitary District regulates the City's capacity allocation, effluent loadings, and future developments. The City of Duluth is also regulated by a National Pollution Discharge Elimination System (NPDES). The NPDES permit is issued by the federal EPA and mandates water quality to permit holders.

The storm water utility is regulated primarily by the Federal EPA and the City's Municipal Separate Storm Sewer System (MS4) permit. This permit governs water quality infrastructure that is designed or used to collect or convey stormwater including storm drains, pipes, ditches, etc. The storm water utility is also regulated by other laws specifically pertaining to wetlands and erosion control.

Key Customers

The Public Works and Utilities Department considers all of its customers to be equally important, but we realize that some customers require quicker responses to emergencies. These facilities include hospitals, clinics, assisted living facilities, large industrial customers, large commercial customers, and other locations where life and safety are of concern.

Key Suppliers

The single largest expenditure for the City of Duluth is the purchase of natural gas. The City has two suppliers for this commodity: Great Lakes Natural Gas and Northern Natural Gas. Both of these suppliers have been able to adequately provide natural gas to the City independently from each other. We have the ability to switch between suppliers on a daily basis depending on natural gas pricing, thus providing the lowest possible prices to our customers. Any price fluctuation is passed on to the customers through the Purchased Gas Adjustment (PGA) each month.

The water utility has an almost limitless supply of clean water from Lake Superior to serve its customers. This water still needs to be treated with a variety of chemicals that are purchased on an annual basis. The supply of these chemicals has not been an issue in the past although the prices gradually increase each year. Electricity is a very important part of the water utility. The City has had an adequate supply of electricity in the past but back-to-back electric rate increases have put a strain on the utility's budget. Shortages in funds for operations and maintenance have resulted in unaccomplished capital projects.

Capital Expenditures

Capital expenditures can be broken down into two categories: capital equipment and capital projects. The following charts outline capital costs for projects funded by current revenues and proposed bonding. See Section VI for a list of projected capital equipment rolling stock expenses for years 2011-2020.

Utility Capital Projects Funded by Current Revenues
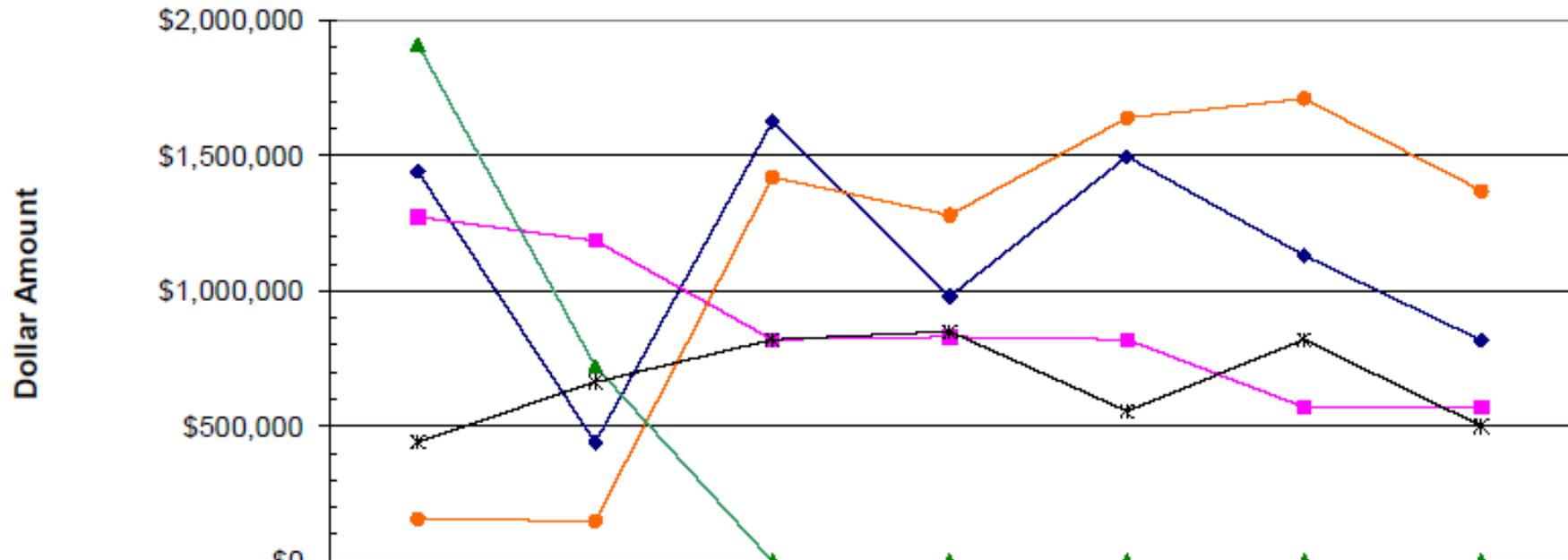
	2009 Actual	2010 Estimated	2011 Budget	2012 Projection	2013 Projection	2014 Projection	2015 Projection
Water Fund	1,440,437	439,670	1,626,000	980,000	1,496,000	1,131,200	816,400
Natural Gas Fund	1,272,710	1,184,839	820,000	830,000	820,000	570,000	570,000
Sanitary Sewer Fund	156,538	150,067	1,420,300	1,280,000	1,640,000	1,710,600	1,369,900
Clean Water Fund	1,909,873	721,337	0	0	0	0	0
Stormwater Fund	442,360	663,239	820,000	850,000	555,000	820,000	500,000

Utility Capital Projects Funded by Bonding

	2011 Budget	2012 Projection	2013 Projection	2014 Projection	2015 Projection
Water Fund	3,550,000	7,000,000	3,900,000	0	0
Natural Gas Fund	0	0	0	0	0
Sanitary Sewer Fund	0	1,000,000	0	0	0
Clean Water Fund	0	0	0	0	0
Stormwater Fund	0	0	0	0	0

Year
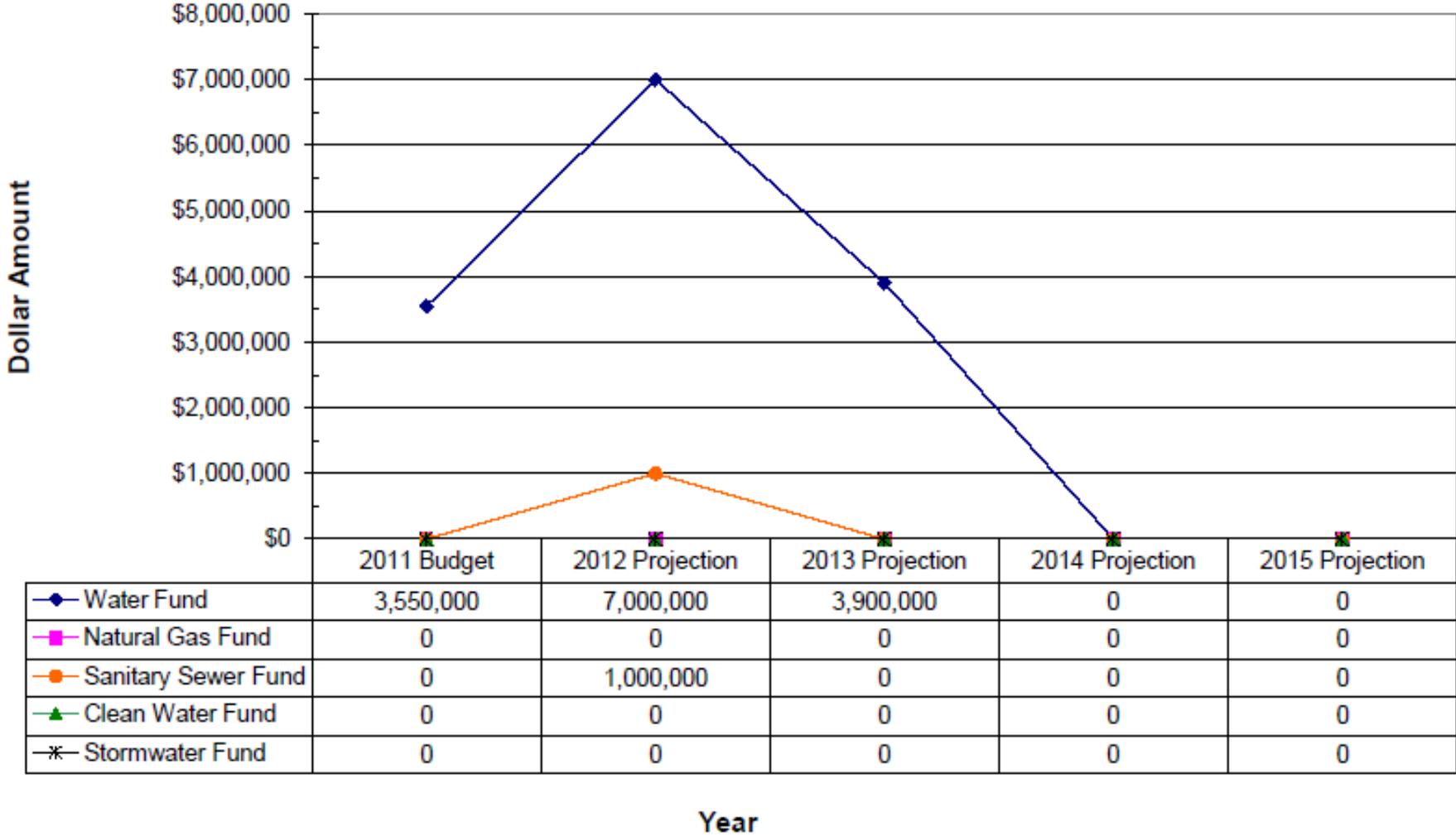
Inventory

The Public Works and Utilities Department must have a robust inventory on hand to quickly respond to just about any unforeseen emergency. This includes parts of water mains, pumps, valves, piping, couplings, repair fittings, regulators, meters, furnace parts, appliance parts, hydrants, and a litany of other parts. The value of materials on hand varies from day to day but typically is in the range of $1,000,000 to $1,250,000. Some of the items are seasonal and are ordered ahead of time to ensure an adequate number are available before they are needed. An automated warehouse software package is being implemented that will automatically order items when supplies become low.

IV. WHAT DO WE WANT TO ACHIEVE/WHAT DO WE WANT TO BECOME?

Vision

To become a functionally integrated organization, operating at optimum efficiencies and providing cost-effective and reliable service for all Duluthians.

Five-Year Goals & Objectives

In order to achieve our vision, the department has six major goals:

- Elimination of Sanitary Sewer Overflows: As part of the Consent Decree, the City of Duluth has a plan to eliminate sanitary sewer overflows by the end of 2016. This will require a combined effort between the City and all the residents of Duluth. Together we will eliminate overflows by the disconnection of footing drains and the installation of sump pumps, removal of house traps, private service line rehabilitation, and the construction of 5 storage tanks.

- Implement an Enterprise Asset Management (EAM) program: EAM will give the department the ability to more accurately track internal work orders, track citizen work requests, conduct preventive and predictive maintenance, and fully modernize warehouse operations to include bar-coding and automated purchase requests. The EAM program will enable use on remote construction sites by wireless computers. The ability for field crews to have access to required data at any time will greatly improve efficiency and cut down on costs.

- Supervisory Control and Data Acquisition (SCADA): In the past, City crews were required to go on site to take readings and make adjustments to various water, gas, and sanitary sewer infrastructure components. SCADA technology will allow City staff to analyze and control various aspects of the utility infrastructure from remote sites. This technology will save the City money by reducing travel time to the various sites and allowing the City to more rapidly address issues at these remote sites.

- Infrastructure Repair/Replacement: The Public Works and Utilities Department has a fairly aggressive infrastructure replacement and repair plan. The plan is ongoing and typically involves projects such as water reservoir rehabilitation, water booster station upgrades, water line replacement, sanitary sewer replacement or lining, and bridge reconstruction.

- Duluth Public Utilities Commission (DPUC): The utility funds make up over half of the City's annual budget, yet due to time constraints during the budget approval process, they previously received very little discussion prior to budget approval. The City recently implemented a PUC composed of both councilors and citizens of Duluth. The commission provides oversight of the utilities. The DPUC is a new commission and is currently developing policies that will guide the utilities into the future.

- Street Preservation Program: The City recently converted from bonding for street improvement projects to a "pay as you go" strategy. The program utilizes casino revenue proceeds to preserve or reconstruct city streets. The goal is improve 20 miles of street per year by reconstruction, capping, or mill and overlay. Another goal is to preserve newly improved streets by crack sealing.

V.   HOW ARE WE GOING TO GET THERE?

Major Issues and Recommended Solutions

The major issues within the department stem from three primary areas that are inter-related: lack of staffing, insufficient funding, and an aging infrastructure.

- Staffing: Staffing levels have declined over the past 14 years from 268 employees in 1998 to 213 employees in 2011. (With the reorganization of the City departments, Maintenance Operations has moved to the Public Administration Department, the numbers above have been adjusted to reflect only divisions currently under Public Works and Utilities today). This is a net loss of 55 employees or an average of four each year. The workload has not decreased over this time period, and in some cases has actually increased. The declining number of employees equates to more work per employee. This extra work is typically done on overtime or takes longer to complete. In some cases, the work is deferred and doesn't get done at all. Citizen expectations have not decreased over this period of time and complaints have risen as a result of the decreased staffing levels.

  Decreased staffing levels has also created a situation where a large percentage of our institutional knowledge has "walked out the door" when individuals retire and the positions are not backfilled. The majority of the technical jobs require a three to five year training period until the employee has reached a level where they are proficient at their job.

- Insufficient Funding: The costs for supplies and services continue to rise but funding levels have not kept pace. This has lead to sacrificing infrastructure improvements for annual operations and maintenance costs. If this current trend keeps up the utilities will become an entirely reactionary organization responding to emergencies with no regard to improving the infrastructure.

- Aging Infrastructure: The age of the infrastructure is another major concern within Public Works and Utilities and is directly related to staffing issues and utility revenue. The older a particular part of the infrastructure is, more money and personnel are needed to maintain it. A large portion of all City of Duluth infrastructure (roads, sanitary sewers, storm sewers, water mains) are relatively old and have reached the end of their useful life. Approximately 50% of City pipes are over 80 years old. We must balance between large capital projects that will replace this aging system and keeping taxes and utility rates to a reasonable level. The current approach is to have a limited capital replacement schedule and perform emergency maintenance as necessary. The problem with this approach is that it is more costly in the long term. In addition, we will never be able to catch up to the requirements of replacing the systems at the current funding levels. However, it is most likely impractical to increase taxes and utility rates to a level that will support large-scale replacement projects.

- Solutions: The department must continue to find more efficient ways to operate, using technology and sharing resources across division lines. In addition, the department must actively pursue innovative funding strategies to upgrade our infrastructure, which will reduce the stress on our internal budget and staff. The Duluth Public Utilities Commission will play a large role in guiding the utilities into the future by establishing rates that will meet the long-term requirements of the City's infrastructure while balancing the financial resources of the rate payers.

VI. WHAT RESOURCES ARE WE GOING TO USE?

Finance Plan

The total Public Works and Utilities Department budget has expenses and revenues related to each of four utilities plus City general fund operations. In addition, the clean water fund is directly related to the sanitary sewer utility yet requires separate accounting for specific revenues and expenses. Each of the following worksheets presents expense and revenue summaries for each of six funds. Year 2009 data is actual, year 2010 data is estimated based on information available prior to the closing of previous year's financial reports, and year 2011 reflects current year budgeted amounts. Salary and benefit expenses for years 2012 through 2015 are estimated based on an assumption of no changes in total employee FTE's by fund. Other major operating expenses and revenue categories differ by fund. Capital improvement expenses in each utility are based on five-year plans that include projects paid for out of cash as well as projected interest and principal expenses for projects financed with loans or bonds.

City of Duluth

3/7/2011

Public Works and Utilities - General Fund 110
2011-2012 Business Plan
Budget to Actual Financial Statement

	2009 Actual	2010 Estimated	2011 Budget	2012 Projection	2013 Projection	2014 Projection	2015 Projection	**Variance $**						**Variance %**					
								2009 vs 2010	2010 vs 2011	2011 vs 2012	2012 vs 2013	2013 vs 2014	2014 vs 2015	2009 vs 2010	2010 vs 2011	2011 vs 2012	2012 vs 2013	2013 vs 2014	2014 vs 2015
Revenues																			
Excavation Permits	18,570	18,235	15,000	18,000	18,000	18,000	18,000	(335)	(3,235)	3,000	0	0	0	-2%	-18%	20%	0%	0%	0%
Misc. Permits	40,739	32,006	40,000	38,000	38,000	38,000	38,000	(8,733)	7,994	(2,000)	0	0	0	-21%	25%	-5%	0%	0%	0%
Engineering Services	341,737	145,883	270,000	200,000	200,000	200,000	200,000	(195,854)	124,117	(70,000)	0	0	0	-57%	85%	-26%	0%	0%	0%
Prints/Plans Other Misc	27,452	27,772	15,000	15,000	15,000	15,000	15,000	320	(12,772)	0	0	0	0	1%	-46%	0%	0%	0%	0%
Transfer from Tourism	114,467	105,000	105,000	105,000	105,000	105,000	105,000	(9,467)	0	0	0	0	0	-8%	0%	0%	0%	0%	0%
Total Revenues	542,965	328,896	445,000	376,000	376,000	376,000	376,000	(214,069)	116,104	(69,000)	0	0	0	-39%	35%	-16%	0%	0%	0%
Expenditures																			
Salaries	1,213,062	1,239,104	1,335,900	1,335,900	1,335,900	1,335,900	1,335,900	26,042	96,796	0	0	0	0	2%	8%	0%	0%	0%	0%
Overtime	73,213	70,311	80,000	80,000	80,000	80,000	80,000	(2,902)	9,689	0	0	0	0	-4%	14%	0%	0%	0%	0%
Temps	0	8,710	12,000	20,000	20,000	20,000	20,000	8,710	3,290	8,000	0	0	0	0%	38%	67%	0%	0%	0%
Benefits	402,675	387,125	418,600	418,600	418,600	418,600	418,600	(15,550)	31,475	0	0	0	0	-4%	8%	0%	0%	0%	0%
Supplies	48,989	72,820	59,000	55,000	55,000	55,000	55,000	23,831	(13,820)	(4,000)	0	0	0	49%	-19%	-7%	0%	0%	0%
MN Ped Bridge	34,200	35,750	35,000	35,700	36,400	37,100	37,800	1,550	(750)	700	700	700	700	5%	-2%	2%	2%	2%	2%
Other Services and Ch	51,168	47,021	65,900	64,000	64,000	64,000	64,000	(4,147)	18,879	(1,900)	0	0	0	-8%	40%	-3%	0%	0%	0%
Total Expenditures	1,823,307	1,860,841	2,006,400	2,009,200	2,009,900	2,010,600	2,011,300	37,534	145,559	2,800	700	700	700	2%	8%	0%	0%	0%	0%
Net Expenditures	-1,280,342	-1,531,945	-1,561,400	-1,633,200	-1,633,900	-1,634,600	-1,635,300	(251,603)	(29,455)	(71,800)	(700)	(700)	(700)	20%	2%	5%	0%	0%	0%
Staffing Levels (FTE's)	22.4	21.2	22.0	22.0	22.0	22.0	22.0	(1)	1	-	-	-	-	-5%	4%	0%	0%	0%	0%

City of Duluth
Public Works and Utilities - Water Fund 510
2011-2012 Business Plan
Budget to Actual Financial Statement

2/17/2011

	2009 Actual	2010 Estimated	2011 Budget	2012 Projection	2013 Projection	2014 Projection	2015 Projection	Variance $						Variance %					
								2009 vs 2010	2010 vs 2011	2011 vs 2012	2012 vs 2013	2013 vs 2014	2014 vs 2015	2009 vs 2010	2010 vs 2011	2011 vs 2012	2012 vs 2013	2013 vs 2014	2014 vs 2015
Revenues																			
Metered Sales Totals	10,759,035	10,422,222	10,950,900	10,900,000	10,960,000	10,960,000	10,960,000	(336,813)	528,678	(50,900)	60,000	-	-	-3%	5%	0%	1%	0%	0%
Fixed (Meter) Charges	942,026	1,323,834	1,304,100	1,324,000	1,326,000	1,328,000	1,330,000	381,808	(19,734)	19,900	2,000	2,000	2,000	41%	-1%	2%	0%	0%	0%
Charges for Services	22,051	28,000	28,000	30,000	30,000	30,000	30,000	5,949	-	2,000	-	-	-	27%	0%	7%	0%	0%	0%
Water Tower Lease	89,229	126,809	135,000	137,700	140,454	143,263	146,128	37,580	8,191	2,700	2,754	2,809	2,865	42%	6%	2%	2%	2%	2%
Other Misc. Revenue	205,700	143,833	109,000	114,000	113,000	113,000	113,000	(61,867)	(34,833)	5,000	(1,000)	-	-	-30%	-24%	5%	-1%	0%	0%
Total Revenues	12,018,041	12,044,698	12,527,000	12,505,700	12,569,454	12,574,263	12,579,128	26,657	482,302	(21,300)	63,754	4,809	4,865	0%	4%	0%	1%	0%	0%
Operating Expenditures																			
Salaries	2,912,843	3,002,723	3,109,100	3,100,000	3,100,000	3,100,000	3,100,000	89,880	106,377	(9,100)	-	-	-	3%	4%	0%	0%	0%	0%
Overtime	455,289	453,048	361,600	370,000	370,000	370,000	370,000	(2,241)	(91,448)	8,400	-	-	-	0%	-20%	2%	0%	0%	0%
Benefits	1,435,847	1,711,935	1,964,100	1,755,000	1,755,000	1,755,000	1,755,000	276,088	252,165	(209,100)	-	-	-	19%	15%	-11%	0%	0%	0%
Chemicals (5216)	632,890	384,237	517,500	517,500	527,850	538,407	549,175	(248,653)	133,263	-	10,350	10,557	10,768	-39%	35%	0%	2%	2%	2%
Supplies	605,895	847,828	772,300	777,000	784,770	785,000	785,000	241,933	(75,528)	4,700	7,770	230	-	40%	-9%	1%	1%	0%	0%
Other Services & Charge	1,583,659	1,424,226	1,633,800	1,554,000	1,554,000	1,554,000	1,554,000	(159,433)	209,574	(79,800)	-	-	-	-10%	15%	-5%	0%	0%	0%
Electricity (5381)	903,965	1,070,167	1,112,000	1,112,000	1,123,120	1,134,351	1,145,695	166,202	41,833	-	11,120	11,231	11,344	18%	4%	0%	1%	1%	1%
Debt Service/Transfers	1,464,189	1,399,922	1,091,000	1,090,000	1,060,000	1,030,000	1,000,000	(64,267)	(308,922)	(1,000)	(30,000)	(30,000)	(30,000)	-4%	-22%	0%	-3%	-3%	-3%
Non-Cap Improvements	51,124	122	117,500	62,500	142,500	25,000	25,000	(51,002)	117,378	(55,000)	80,000	(117,500)	-	-100%	96211%	-47%	128%	-82%	0%
Operating Exp. Subtotal	10,045,701	10,294,208	10,678,900	10,338,000	10,417,240	10,291,758	10,283,870	248,507	384,692	(340,900)	79,240	(125,482)	(7,888)	2%	4%	-3%	1%	-1%	0%
Capital Expenditures			See Note:																
Capital Improvements	1,440,437	439,670	1,626,000	980,000	1,496,000	1,131,200	816,400	(1,000,767)	1,186,330	(646,000)	516,000	(364,800)	(314,800)	-69%	270%	-40%	53%	-24%	-28%
Capital Equipment	107,845	161,961	390,300	200,500	248,100	278,500	97,100	54,116	228,339	(189,800)	47,600	30,400	(181,400)	50%	141%	-49%	24%	12%	-65%
Bond/Lease Principal	754,500	912,900	1,185,700	1,219,900	1,254,900	1,279,900	1,314,900	158,400	272,800	34,200	35,000	25,000	35,000	21%	30%	3%	3%	2%	3%
Capital Exp. Subtotal	2,302,782	1,514,531	3,202,000	2,400,400	2,999,000	2,689,600	2,228,400	(788,251)	1,687,469	(801,600)	598,600	(309,400)	(461,200)	-34%	111%	-25%	25%	-10%	-17%
Total Expenditures	12,348,483	11,808,739	13,880,900	12,738,400	13,416,240	12,981,358	12,512,270	(539,744)	2,072,161	(1,142,500)	677,840	(434,882)	(469,088)	-4%	18%	-8%	5%	-3%	-4%
Net Expenditures	(330,442)	235,959	(1,353,900)	(232,700)	(846,786)	(407,095)	66,858	566,401	(1,589,859)	1,121,200	(614,086)	439,691	473,954	-171%	-674%	-83%	264%	-52%	-116%
Staffing Levels (FTE's) Budgeted	52.86	53.37	56.47	56.47	56.47	56.47	56.47	0.5	3.1	0.0	0.0	0.0	0.0	1%	6%	0%	0%	0%	0%

City of Duluth

2/15/2011

Public Works and Utilities - Natural Gas Fund 520
2011-2012 Business Plan
Budget to Actual Financial Statement

	2009 Actual	2010 Estimated	2011 Budget	2012 Projection	2013 Projection	2014 Projection	2015 Projection	Variance $						Variance %					
								2009 vs 2010	2010 vs 2011	2011 vs 2012	2012 vs 2013	2013 vs 2014	2014 vs 2015	2009 vs 2010	2010 vs 2011	2011 vs 2012	2012 vs 2013	2013 vs 2014	2014 vs 2015
Revenues																			
Metered Sales Totals	42,677,171	35,298,924	40,199,200	36,786,713	38,624,162	39,901,228	41,110,380	(7,378,247)	4,900,276	(3,412,487)	1,837,449	1,277,066	1,209,152	-17%	14%	-8%	5%	3%	3%
Fixed (Meter) Charges	2,268,669	3,191,615	3,234,400	3,234,400	3,234,400	3,234,400	3,234,400	922,946	42,785	-	-	-	-	41%	1%	0%	0%	0%	0%
Charges for Services	658,046	653,562	620,000	620,000	630,000	640,000	640,000	(4,484)	(33,562)	-	10,000	10,000	-	-1%	-5%	0%	2%	2%	0%
Reimbursements	330,862	386,024	300,000	395,000	325,000	350,000	350,000	55,162	(86,024)	95,000	(70,000)	25,000	-	17%	-22%	32%	-18%	8%	0%
Other Misc. Revenue	455,999	211,769	307,400	220,000	220,000	195,000	195,000	(244,230)	95,631	(87,400)	-	(25,000)	-	-54%	45%	-28%	0%	-11%	0%
Total Revenues	46,390,747	39,741,894	44,661,000	41,256,113	43,033,562	44,320,628	45,529,780	(6,648,853)	4,919,106	(3,404,887)	1,777,449	1,287,066	1,209,152	-14%	12%	-8%	4%	3%	3%
Operating Expenditures																			
Salaries	3,950,751	3,859,702	4,109,400	4,100,000	4,100,000	4,100,000	4,100,000	(91,049)	249,698	(9,400)	-	-	-	-2%	6%	0%	0%	0%	0%
Overtime	520,030	428,274	377,900	375,000	375,000	375,000	375,000	(91,756)	(50,374)	(2,900)	-	-	-	-18%	-12%	-1%	0%	0%	0%
Benefits	1,696,377	2,192,512	2,314,500	2,315,000	2,315,000	2,315,000	2,315,000	496,135	121,988	500	-	-	-	29%	6%	0%	0%	0%	0%
Natural Gas Purchases	27,647,450	25,176,462	27,939,500	25,691,692	26,902,021	27,743,226	28,539,695	(2,470,988)	2,763,038	(2,247,808)	1,210,329	841,205	796,469	-9%	11%	-8%	5%	3%	3%
Supplies	763,122	800,568	827,900	827,900	836,200	836,200	836,200	37,446	27,332	-	8,300	-	-	5%	3%	0%	1%	0%	0%
Other Services & Charge	1,338,505	1,397,672	1,777,400	1,700,000	1,700,000	1,700,000	1,700,000	59,167	379,728	(77,400)	-	-	-	4%	27%	-4%	0%	0%	0%
INLOT (7%)	4,091,122	3,236,527	3,459,000	2,878,862	2,633,870	2,763,191	2,851,536	(854,595)	222,473	(580,138)	(244,992)	129,321	88,345	-21%	7%	-17%	-9%	5%	3%
Debt Service/Transfers	1,685,225	1,491,414	1,240,000	1,190,800	1,149,800	1,104,700	1,055,700	(193,811)	(251,414)	(49,200)	(41,000)	(45,100)	(49,000)	-12%	-17%	-4%	-3%	-4%	-4%
Non-Cap Improvements	80,469	93,335	49,300	48,000	48,000	61,000	48,000	12,866	(44,035)	(1,300)	-	13,000	(13,000)	16%	-47%	-3%	0%	27%	-21%
Operating Exp. Subtotal	41,773,051	38,676,466	42,094,900	39,127,254	40,059,891	40,998,317	41,821,131	(3,096,585)	3,418,434	(2,967,646)	932,637	938,426	822,814	-7%	9%	-7%	2%	2%	2%
Capital Expenditures																			
Capital Improvements	1,272,710	1,184,839	820,000	830,000	820,000	570,000	570,000	(87,871)	(364,839)	10,000	(10,000)	(250,000)	-	-7%	-31%	1%	-1%	-30%	0%
Capital Equipment	151,845	219,870	292,300	335,300	314,500	219,100	206,300	68,025	72,430	43,000	(20,800)	(95,400)	(12,800)	45%	33%	15%	-6%	-30%	-6%
Bond/Lease Principal	1,080,300	750,000	1,220,900	1,268,200	1,317,900	1,360,800	1,409,900	(330,300)	470,900	47,300	49,700	42,900	49,100	-31%	63%	4%	4%	3%	4%
Capital Exp. Subtotal	2,504,855	2,154,709	2,333,200	2,433,500	2,452,400	2,149,900	2,186,200	(350,146)	178,491	100,300	18,900	(302,500)	36,300	-14%	8%	4%	1%	-12%	2%
Total Expenditures	44,277,906	40,831,175	44,428,100	41,560,754	42,512,291	43,148,217	44,007,331	(3,446,731)	3,596,925	(2,867,346)	951,537	635,926	859,114	-8%	9%	-6%	2%	1%	2%
Net Expenditures	2,112,841	(1,089,281)	232,900	(304,640)	521,271	1,172,411	1,522,449	(3,202,122)	1,322,181	(537,540)	825,911	651,140	350,038	-152%	-121%	-231%	-271%	125%	30%
Staffing Levels (FTE's) Budgeted	71.14	71.38	73.92	73.92	73.92	73.92	73.92	0.2	2.5	0.0	0.0	0.0	0.0	0%	4%	0%	0%	0%	0%

City of Duluth
Public Works and Utilities - Sanitary Sewer Fund 530
2011-2012 Business Plan
Budget to Actual Financial Statement

3/3/2011

	2009 Actual	2010 Estimated	2011 Budget	2012 Projection	2013 Projection	2014 Projection	2015 Projection	Variance $ 2009 vs 2010	2010 vs 2011	2011 vs 2012	2012 vs 2013	2013 vs 2014	2014 vs 2015	Variance % 2009 vs 2010	2010 vs 2011	2011 vs 2012	2012 vs 2013	2013 vs 2014	2014 vs 2015
Revenues																			
Metered Sales Totals	16,395,339	15,316,310	16,280,500	16,000,000	16,150,000	16,150,000	16,150,000	(1,079,029)	964,190	(280,500)	150,000	-	-	-7%	6%	-2%	1%	0%	0%
Fixed (Meter) Charges	1,367,013	1,923,753	1,940,000	1,940,000	1,942,000	1,942,000	1,942,000	556,740	16,247	-	2,000	-	-	41%	1%	0%	0%	0%	0%
Charges for Services	45,391	85,192	64,000	75,000	75,000	75,000	75,000	39,801	(21,192)	11,000	-	-	-	88%	-25%	17%	0%	0%	0%
Other Misc. Revenue	145,545	102,816	81,700	77,000	77,000	77,000	77,000	(42,729)	(21,116)	(4,700)	-	-	-	-29%	-21%	-6%	0%	0%	0%
Total Revenues	17,953,288	17,428,071	18,366,200	18,092,000	18,244,000	18,244,000	18,244,000	(525,217)	938,129	(274,200)	152,000	-	-	-3%	5%	-1%	1%	0%	0%
Operating Expenditures																			
Salaries	1,942,490	1,953,289	2,133,300	2,125,000	2,125,000	2,125,000	2,125,000	10,799	180,011	(8,300)	-	-	-	1%	9%	0%	0%	0%	0%
Overtime	273,791	198,061	212,300	175,000	175,000	175,000	175,000	(75,730)	14,239	(37,300)	-	-	-	-28%	7%	-18%	0%	0%	0%
Benefits	794,937	832,205	918,700	918,700	918,700	918,700	918,700	37,268	86,495	-	-	-	-	5%	10%	0%	0%	0%	0%
Supplies	312,287	374,578	366,000	366,000	370,000	370,000	370,000	62,291	(8,578)	-	4,000	-	-	20%	-2%	0%	1%	0%	0%
Other Services & Charge	1,228,166	983,295	1,183,700	1,084,000	1,084,000	1,084,000	1,084,000	(244,871)	200,405	(99,700)	-	-	-	-20%	20%	-8%	0%	0%	0%
Private Property Grants	1,229,469	1,205,124	1,376,000	1,300,000	1,300,000	1,200,000	1,200,000	(24,345)	170,876	(76,000)	-	(100,000)	-	-2%	14%	-6%	0%	-8%	0%
WLSSD Treatment/Test	8,673,461	7,695,814	8,280,200	8,280,200	8,363,002	8,363,000	8,363,000	(977,647)	584,386	-	82,802	(2)	-	-11%	8%	0%	1%	0%	0%
Debt Service/Transfers	1,291,983	1,102,961	1,006,400	954,300	897,500	837,200	773,700	(189,022)	(96,561)	(52,100)	(56,800)	(60,300)	(63,500)	-15%	-9%	-5%	-6%	-7%	-8%
Non-Cap Improvements	253,836	89,263	50,000	50,000	50,000	50,000	50,000	(164,573)	(39,263)	-	-	-	-	-65%	-44%	0%	0%	0%	0%
Operating Exp. Subtotal	16,000,420	14,434,590	15,526,600	15,253,200	15,283,202	15,122,900	15,059,400	(1,565,830)	1,092,010	(273,400)	30,002	(160,302)	(63,500)	-10%	8%	-2%	0%	-1%	0%
Capital Expenditures																			
Capital Improvements	156,538	150,067	1,420,300	1,280,000	1,640,000	1,710,600	1,369,900	(6,471)	1,270,233	(140,300)	360,000	70,600	(340,700)	-4%	846%	-10%	28%	4%	-20%
Capital Equipment	1,369	424,835	341,000	333,100	232,800	276,800	368,100	423,466	(83,835)	(7,900)	(100,300)	44,000	91,300	30933%	-20%	-2%	-30%	19%	33%
Bond/Lease Principal	1,633,900	1,582,200	1,633,500	1,703,100	1,753,600	1,826,600	1,874,500	(51,700)	51,300	69,600	50,500	73,000	47,900	-3%	3%	4%	3%	4%	3%
Capital Exp. Subtotal	1,791,807	2,157,102	3,394,800	3,316,200	3,626,400	3,814,000	3,612,500	365,295	1,237,698	(78,600)	310,200	187,600	(201,500)	20%	57%	-2%	9%	5%	-5%
Total Expenditures	17,792,227	16,591,692	18,921,400	18,569,400	18,909,602	18,936,900	18,671,900	(1,200,535)	2,329,708	(352,000)	340,202	27,298	(265,000)	-7%	14%	-2%	2%	0%	-1%
Net Expenditures	161,061	836,379	(555,200)	(477,400)	(665,602)	(692,900)	(427,900)	675,318	(1,391,579)	77,800	(188,202)	(27,298)	265,000	419%	-166%	-14%	39%	4%	-38%
Staffing Levels (FTE's) Budgeted	35.23	38.38	39.24	39.24	39.24	39.24	39.24	3.2	0.9	0.0	0.0	0.0	0.0	9%	2%	0%	0%	0%	0%

City of Duluth
Public Works and Utilities - Clean Water Fund 532
2011-2012 Business Plan
Budget to Actual Financial Statement

3/2/2011

	2009 Actual	2010 Estimated	2011 Budget	2012 Projection	2013 Projection	2014 Projection	2015 Projection	Variance $						Variance %					
								2009 vs 2010	2010 vs 2011	2011 vs 2012	2012 vs 2013	2013 vs 2014	2014 vs 2015	2009 vs 2010	2010 vs 2011	2011 vs 2012	2012 vs 2013	2013 vs 2014	2014 vs 2015
Revenues			Rate reduction																
Clean Water Surcharge	2,423,186	2,835,250	2,910,000	1,799,000	1,801,000	1,801,000	1,801,000	412,064	74,750	(1,111,000)	2,000	-	-	17%	3%	-38%	0%	0%	0%
I & I Surcharge		103,250	100,000	65,000	59,000	53,000	47,000	103,250	(3,250)	(35,000)	(6,000)	(6,000)	(6,000)	#DIV/0I	-3%	-35%	-9%	-10%	-11%
Other Misc. Revenue	205	581	300	400	400	400	400	376	(281)	100	-	-	-	183%	-48%	33%	0%	0%	0%
Grant Revenue not shown								-	-	-	-	-	-	#DIV/0I	#DIV/0I	#DIV/0I	#DIV/0I	#DIV/0I	#DIV/0I
Total Revenues	2,423,391	2,939,081	3,010,300	1,864,400	1,860,400	1,854,400	1,848,400	515,690	71,219	(1,145,900)	(4,000)	(6,000)	(6,000)	21%	2%	-38%	0%	0%	0%
Operating Expenditures																			
Salaries	0	0	0	0	0	0	0	-	-	-	-	-	-	#DIV/0I	#DIV/0I	#DIV/0I	#DIV/0I	#DIV/0I	#DIV/0I
Overtime	0	0	0	0	0	0	0	-	-	-	-	-	-	#DIV/0I	#DIV/0I	#DIV/0I	#DIV/0I	#DIV/0I	#DIV/0I
Benefits	0	0	0	0	0	0	0	-	-	-	-	-	-	#DIV/0I	#DIV/0I	#DIV/0I	#DIV/0I	#DIV/0I	#DIV/0I
								-	-	-	-	-	-	#DIV/0I	#DIV/0I	#DIV/0I	#DIV/0I	#DIV/0I	#DIV/0I
Supplies	0	307,105	0	0	0	0	0	307,105	(307,105)	-	-	-	-	#DIV/0I	-100%	#DIV/0I	#DIV/0I	#DIV/0I	#DIV/0I
Other Services & Charge	21,038	30,998	11,600	13,600	13,600	13,600	13,600	9,960	(19,398)	2,000	-	-	-	47%	-63%	17%	0%	0%	0%
Grants and Awards	733,656	928,606	1,000,000	640,000	640,000	640,000	640,000	194,950	71,394	(360,000)	-	-	-	27%	8%	-36%	0%	0%	0%
Debt Service Interest	897	6,257	239,500	225,000	210,000	195,000	180,000	5,360	233,243	(14,500)	(15,000)	(15,000)	(15,000)	598%	3728%	-6%	-7%	-7%	-8%
Non-Cap Improvements	0	0	0	0	0	0	0	-	-	-	-	-	-	#DIV/0I	#DIV/0I	#DIV/0I	#DIV/0I	#DIV/0I	#DIV/0I
Operating Exp. Subtotal	755,591	1,272,966	1,251,100	878,600	863,600	848,600	833,600	517,375	(21,866)	(372,500)	(15,000)	(15,000)	(15,000)	68%	-2%	-30%	-2%	-2%	-2%
Capital Expenditures (Non-Grant)																			
Capital Improvements	1,909,873	721,337	0	0	0	0	0	(1,188,536)	(721,337)	-	-	-	-	-62%	-100%	#DIV/0I	#DIV/0I	#DIV/0I	#DIV/0I
Capital Equipment	0	172,118	0	0	0	0	0	172,118	(172,118)	-	-	-	-	#DIV/0I	-100%	#DIV/0I	#DIV/0I	#DIV/0I	#DIV/0I
Bond/Lease Principal	0	67,400	981,400	996,000	1,011,000	1,026,000	1,031,000	67,400	914,000	14,600	15,000	15,000	5,000	#DIV/0I	1356%	1%	2%	1%	0%
Capital Exp. Subtotal	1,909,873	960,855	981,400	996,000	1,011,000	1,026,000	1,031,000	(949,018)	20,545	14,600	15,000	15,000	5,000	-50%	2%	1%	2%	1%	0%
Total Expenditures	2,665,464	2,233,821	2,232,500	1,874,600	1,874,600	1,874,600	1,864,600	(431,643)	(1,321)	(357,900)	-	-	(10,000)	-16%	0%	-16%	0%	0%	-1%
Net Expenditures	(242,073)	705,260	777,800	(10,200)	(14,200)	(20,200)	(16,200)	947,333	72,540	(788,000)	(4,000)	(6,000)	4,000	-391%	10%	-101%	39%	42%	-20%
Staffing Levels (FTE's)	0	0	0	0	0	0	0	-	-	-	-	-	-	#DIV/0I	#DIV/0I	#DIV/0I	#DIV/0I	#DIV/0I	#DIV/0I

City of Duluth
Public Works and Utilities - Stormwater Fund 535
2011-2012 Business Plan
Budget to Actual Financial Statement

	2009 Actual	2010 Estimated	2011 Budget	2012 Projection	2013 Projection	2014 Projection	2015 Projection	Variance $ 2009 vs 2010	2010 vs 2011	2011 vs 2012	2012 vs 2013	2013 vs 2014	2014 vs 2015	Variance % 2009 vs 2010	2010 vs 2011	2011 vs 2012	2012 vs 2013	2013 vs 2014	2014 vs 2015
Revenues																			
Stormwater Revenues	5,120,945	4,685,432	4,650,000	4,690,000	4,690,000	4,690,000	4,690,000	(435,513)	(35,432)	40,000	-	-	-	-9%	-1%	1%	0%	0%	0%
Grant Revenue	84,625	29,589	32,500	0	0	0	0	(55,036)	2,911	(32,500)	-	-	-	-65%	10%	-100%	#DIV/0!	#DIV/0!	#DIV/0!
Other Misc. Revenue	45,319	17,464	20,500	20,500	22,000	22,000	22,000	(27,855)	3,036	-	1,500	-	-	-61%	17%	0%	7%	0%	0%
Total Revenues	5,250,889	4,732,485	4,703,000	4,710,500	4,712,000	4,712,000	4,712,000	(518,404)	(29,485)	7,500	1,500	-	-	-10%	-1%	0%	0%	0%	0%
Operating Expenditures																			
Salaries	1,272,596	1,272,543	1,191,100	1,190,000	1,190,000	1,190,000	1,190,000	(53)	(81,443)	(1,100)	-	-	-	0%	-6%	0%	0%	0%	0%
Overtime	140,633	133,455	84,200	84,000	84,000	84,000	84,000	(7,178)	(49,255)	(200)	-	-	-	-5%	-37%	0%	0%	0%	0%
Benefits	340,971	389,213	381,800	395,000	400,000	400,000	400,000	48,242	(7,413)	13,200	5,000	-	-	14%	-2%	3%	1%	0%	0%
Supplies	172,543	288,205	230,600	230,600	232,906	233,000	233,000	115,662	(57,605)	-	2,306	94	-	67%	-20%	0%	1%	0%	0%
Other Services & Charge	646,276	588,052	645,500	645,500	645,500	645,500	645,500	(58,224)	57,448	-	-	-	-	-9%	10%	0%	0%	0%	0%
Debt Service/Transfers	807,187	755,641	783,700	773,684	765,908	757,643	748,860	(51,546)	28,059	(10,016)	(7,776)	(8,265)	(8,783)	-6%	4%	-1%	-1%	-1%	-1%
Non-Cap Improvements	191,006	78,739	343,000	225,000	335,000	265,000	292,000	(112,267)	264,261	(118,000)	110,000	(70,000)	27,000	-59%	336%	-34%	49%	-21%	10%
Operating Exp. Subtotal	3,571,212	3,505,848	3,659,900	3,543,784	3,653,314	3,575,143	3,593,360	(65,364)	154,052	(116,116)	109,530	(78,171)	18,217	-2%	4%	-3%	3%	-2%	1%
Capital Expenditures																			
Capital Improvements	442,360	663,239	820,000	850,000	555,000	820,000	500,000	220,879	156,761	30,000	(295,000)	265,000	(320,000)	50%	24%	4%	-35%	48%	-39%
Capital Equipment	189,169	396,983	676,000	361,100	148,700	377,800	250,500	207,814	279,017	(314,900)	(212,400)	229,100	(127,300)	110%	70%	-47%	-59%	154%	-34%
Bond/Lease Principal	170,000	179,000	187,000	196,000	200,000	210,000	219,000	9,000	8,000	9,000	4,000	10,000	9,000	5%	4%	5%	2%	5%	4%
Capital Exp. Subtotal	801,529	1,239,222	1,683,000	1,407,100	903,700	1,407,800	969,500	437,693	443,778	(275,900)	(503,400)	504,100	(438,300)	55%	36%	-16%	-36%	56%	-31%
Total Expenditures	4,372,741	4,745,070	5,342,900	4,950,884	4,557,014	4,982,943	4,562,860	372,329	597,830	(392,016)	(393,870)	425,929	(420,083)	9%	13%	-7%	-8%	9%	-8%
Net Expenditures	878,148	(12,585)	(639,900)	(240,384)	154,986	(270,943)	149,140	(890,733)	(627,315)	399,516	395,370	(425,929)	420,083	-101%	4985%	-62%	-164%	-275%	-155%
Staffing Levels (FTE's) Budgeted	20.92	24.22	21.12	21.12	21.12	21.12	21.12	3.3	-3.1	0.0	0.0	0.0	0.0	16%	-13%	0%	0%	0%	0%

Workforce Plan

The department is developing Standard Operating Procedures (SOPs) in critical areas. The intent is to provide a consistent method of answering standard questions and provide guidance for current and future employees. These SOPs will be continually updated as methods and innovations change within the department.

We utilize an apprentice program for many of our positions within the department. This provides a three to five year training program to ensure that the new employees have the knowledge and skills to perform work tasks independently. In addition, we utilize an informal mentorship program. The junior employees work under the guidance and tutelage of the more senior employees. This process is perpetual and repeats itself as new employees begin their careers with the City. The downside is that we recently have had many more retirements relative to new employees.

As technology changes, our workforce needs will change as well. Training is critical to ensure that our employees maintain their skill levels and stay current on new technologies.

Technology Plan

We currently have several conversions taking place or planned within the department, including:

- Enterprise Asset Management (EAM). Improved work orders, citizen complaint tracking, GIS integration, and improved warehouse function.

- GPS vehicle tracking. Ability to track the entire fleet of vehicles to ensure worker productivity, enhanced dispatch of vehicles, and route selection.

- The City survey crews continue to get smaller in size but the number of projects remains the same or increases. We will have to rely more on GPS survey technology to keep up with current trends. By using GPS survey instruments we will be able to work more effectively with fewer people.

- GIS is an area within the department (and the City) that will provide efficiencies. A properly set up GIS system could provide a vast amount of information to citizens and multiple departments from a single location.

- SCADA system. Ability to monitor and adjust functions of the water, natural gas, and sanitary sewer utilities.

- Lakewood Treatment Plant and water booster station energy efficiencies and technology upgrades will improve reliability, reduce energy consumption, and decrease maintenance costs.

Equipment Plan

The following worksheets show two major categories of equipment expenses, computer replacements, and rolling stock. Most employees are on a four year computer replacement schedule. The Engineering Division is on a three year replacement schedule due to the technical and software requirements of their responsibilities. Replacement of computers for each of the utilities is defined as small equipment and budgeted in their respective operating budgets. Replacement of computers for the general fund is part of the City budgeted capital equipment process and does not appear in the PW&U operating budget. Total expenditures for replacing all computers are approximately $90,000 per year.

2011 Public Works & Utilities
Computer/IT Equipment and Projects

Item & User Name	Div / CC	Qty	Unit Cost	Total $	110	510	520	530	535
Standard Desktop									
Cler Support Tech	1900	1	1,000	1,000	0	250	450	150	150
Bridge #2	1930-2310	1	1,000	1,000	1,000	0	0	0	0
Front Counter / Scanner	2300/2330	2	1,000	2,000	400	400	400	400	400
Stormwater Project Eng	1930-2330	1	1,000	1,000	0	0	0	250	750
Various Office Personnel	1940-2400	6	1,000	6,000	0	1,560	2,340	1,380	720
Dispatch # 2	2400/2410	1	1,000	1,000	0	300	500	130	70
Service Info Tech	1940-2410	1	1,000	1,000	0	100	900	0	0
Admin Info Spec in MS	1940-2410	1	1,000	1,000	0	300	700	0	0
Measure Svcs Supv	1940-2410	1	1,000	1,000	0	240	660	100	0
UO Info Tech	1945	1	1,000	1,000	0	200	200	400	200
UO Info Tech	1945	1	1,000	1,000	0	600	400	0	0
Weld Shop	1945	1	1,000	1,000	0	200	800	0	0
Lakewood-Electrician	1955	1	1,000	1,000	0	1,000	0	0	0
Gas Supply - Middle	1960	1	1,000	1,000	0	0	1,000	0	0
		20							
CAD/GIS Level Desktop									
Project Engineers (new)	1930-2300	2	1,500	3,000	3,000	0	0	0	0
Sr Eng Tech	2300/2330	1	1,500	1,500	600	300	0	300	300
Eng Tech	1930-2330	1	1,500	1,500	0	375	375	375	375
Sr Eng Tech	1930-2330	1	1,500	1,500	0	375	1,125	0	0
		5							
Eng. Notebook									
Sr Eng Tech	1930-2300	1	2,000	2,000	2,000	0	0	0	0
Chief Eng of Utilities	1930-2330	1	2,000	2,000	0	400	800	400	400
		2							
Notebook									
W&G Supply Mgr	1955/1960	1	2,000	2,000	0	800	1,200	0	0
Customer Svc Mgr	1940-2400	1	2,000	2,000	0	500	1,200	200	100
Warehouse- Inventory	1945	1	2,000	2,000	0	700	500	500	300
Rod Truck #1, Vactor #1	1945	2	2,000	4,000	0	0	0	4,000	0
Stormwater Vactor #1	1945	1	2,000	2,000	0	0	0	0	2,000
Hydrant Crew	1945	1	2,000	2,000	0	1,800	200	0	0
Lift Station Personnel	1945	2	2,000	4,000	0	0	0	4,000	0
Stormwater Project Coord	1945	1	2,000	2,000	0	0	0	0	2,000
I&I Project Coord	1970	1	2,000	2,000	0	0	0	2,000	0
		11							
Service Notebooks	1940-2410	8	2,100	16,800	0	3,360	13,440	0	0
Total		46		70,300	7,000	13,760	27,190	14,585	7,765
Other Equipment / Projects									
Service Peripherals	1940-2410	Misc	2,000	2,000	0	400	1,600	0	0
GPS Handheld Unit	1930/1945	2	8,000	16,000	0	4,000	4,000	4,000	4,000
Mounting Units for trucks	1945	2	250	500	0	50	125	50	275
Other Subtotal				18,500	0	4,450	5,725	4,050	4,275
Grand Total IT Equipment				88,800	7,000	18,210	32,915	18,635	12,040

Rolling stock replacements of pickup trucks, service vans, dump trucks, backhoes, loaders, vactors, and other large pieces of heavy equipment cost approximately $1M each year. All rolling stock purchased for the utilities is a capital equipment expense paid for out of current year revenues. The department schedules approximately 50 subclasses of equipment by type and expected life to maintain a ten year replacement plan. The summary provided shows the expected replacement cost for rolling stock by fund during years 2011 to 2020. The department works closely with Fleet Services to evaluate the operating condition and alternate use of all vehicles and equipment prior to replacement.

Public Works and Utilities Rolling Stock Summary
Replacement Count and Cost by Year and Fund
2011

Year		Count	Total Cost	Cost Allocation by Fund				
				110	510	520	530	535
2011								
	Total =	24	1,640,000	54,000	320,300	256,700	337,000	672,000
2012								
	Total =	21	1,210,000	0	195,500	330,300	328,100	356,100
2013								
	Total =	15	924,000	0	243,100	309,500	227,750	143,650
2014								
	Total =	17	1,132,000	0	273,450	214,050	271,750	372,750
2015								
	Total =	12	902,000	0	92,100	201,300	363,100	245,500
2016								
	Total =	13	971,000	0	349,700	309,500	138,800	173,000
2017								
	Total =	11	571,000	17,000	70,000	151,200	52,500	280,300
2018								
	Total =	15	1,046,000	24,000	247,300	173,400	282,200	319,100
2019								
	Total =	14	822,000	0	147,050	222,950	213,620	238,380
2020								
	Total =	16	560,000	0	218,500	241,150	55,600	44,750

PWU Cost Summary by Year and Fund

Space Plan

With the exception of City Hall, office space needs are adequate within our existing facilities. In City Hall, the Engineering Division is short of space due to recent organizational changes in other departments and the displacement of the Director's Office. The intent will be to relocate a few offices in City Hall once the Police Department moves to their new location later in 2011. The Garfield Facility has insufficient parking and storage/yard space. We are currently pursuing changes to operations at that location to improve storage conditions.

VII. MANAGEMENT AND ORGANIZATION

Management Team

The management team follows a standard hierarchy. The Director of Public Works and Utilities oversees the entire department and provides direction and support to four managers. The four managers are the City Engineer, Operations Manager for Water and Gas Supply, Manager of Utility Operations, and the Manager of Customer Service. These managers provide general oversight to their respective divisions and provide direct control to their supervisors. Managers have either two or three supervisors assigned to them. The supervisors provide direct control for the day-to-day operations of their specific team.

Members of the management team were chosen for their ability to lead a group of employees and provide specific technical oversight to their employees. The majority of the management staff have credentials and certifications that allow them to do their jobs. Some of these credentials are Professional Engineer, Collection System Operator, and Water Plant Operator.

Succession Plan

The most qualified in-house staff typically fill the majority of critical management team vacant positions. We tend to "grow our own" leaders in this organization. As soon as staff is aware that a key position will be vacated, we begin the process of hiring and filling that position. There are also numerous times throughout the year that subordinate leaders are given the opportunity to "fill in" for key leaders while they are away at training, sick, vacation, etc.

Outside Professional and Advisory Support

Duluth Public Utilities Commission

The Duluth Public Utilities Commission was created by City Ordinance in 2010. This commission is charged with establishing long-term strategic goals that will ensure the utilities are capable of sustaining Duluth's citizens today and into the future. This type of commission is the first in Duluth's history.

The following excerpt is language from Ordinance 10-016:

"The city council of the city hereby finds that the management and operation of the city's water, natural gas, sanitary sewer and stormwater utility systems has become more complex and is in need of expertise and continuity in long-term planning to effectively manage and guide future development of the utilities and the rate structures related thereto and that it is appropriate to secure expertise not only from elected officials but also from citizens of the city having expertise and experience to bring to those processes and therefore that it is appropriate to create a Duluth public utilities commission."

Consultant Services

The Public Works and Utilities Department realizes that some tasks are outside their area of expertise to design or construct. Consulting firms are a cost-effective way to accomplish difficult design work. We do a large amount of design work in-house but consult out projects that require specialized engineering such as electrical, structural, mechanical, and complex traffic design. We also hire contractors to construct projects that City staff does not have the knowledge or equipment to accomplish. These types of projects would include bridge repair, sanitary sewer lining, large water main installation, electrical repairs, and large gas main installations.

VIII. APPENDIX - Performance Measures

Each of the four divisions was tasked to develop quantitative performance measures. The following tables outline these measures.

DEPARTMENT NAME: Public Works & Utilities	DIVISION NAME: Customer Service	Report: __x__ January to June 30, 2010 ____ December 31, 2010 (full year)
Person Completing Report: Nick Petrangelo	Date Submitted 8/19/2010	____ January to June 30, 2011 ____ December 31, 2011 (full year)

Goals and Objectives	Measures	Outcomes and Results	Results for this Reporting Period	Issues or Problems Encountered
50 seconds	**Duration of telephone calls on hold**	53 seconds	53 seconds	Enventis upgrades still in process Office reorganization still in process – lockbox is being transitioned now with complete changeover by mid-September. One new staff recently on board and 2 more coming in September. Training needed first.
In process of establishing a number	**Number of service call appointments not kept**	**None**	None	Weren't aware we had to start keeping track until August 2010. Will start as of September 1, 2010 as this is a manual process.
Less than ½ of one percent	**Percentage of annual gross revenue written off to bad debt**	**n/a**	n/a	Write offs are annually done in December each year.
10%	**Number of calls abandoned**	**12%**	12%	See issues or problems in first measure above.

DEPARTMENT NAME: **Public Works & Utilities**	**DIVISION NAME:** **Engineering**	**Report:** __X__ **January to June 30, 2010** ____ **December 31, 2010 (full year)** ____ **January to June 30, 2011** ____ **December 31, 2011 (full year)**		
Person Completing Report: **Cindy Voigt**	**Date Submitted** **8/20/10**			

Goals and Objectives	Measures	Outcomes and Results	Results for this Reporting Period	Issues or Problems Encountered
City wide bridge inspections are completed on time	**Submittal to MnDOT complete and on time**	**2009 on time**	2010 On track, not due until Feb. 2011	
Gas service appointments are met and staff shows up within 5 minutes of the appointment.	**Based on both employee confirmation and tracking those appointments where the resident calls to complain about no-show or lack of showing.**	**100% compliant**	Of the 56 appointments, all were made, 3 rescheduled due to customer requests	
The Gopher State One-Call locate meets are attended and staff shows up within 5 minutes of the meet appointment	**Based on both employee confirmation and tracking those appointments where the contractor calls to complain about no-show or lack of showing.**	**100% compliant**	Of the 163 appointments, based on lack of complaints to engineering, we assume compliance	Hard to track non-compliance
Reduce the number of accidents that are preventable to zero.	**Of reportable accidents, based on Accident Review Committee results, preventable accidents are tracked.**	**Data unavailable at time of reporting**	Have not received confirmation on the 2010 accidents.	

DEPARTMENT NAME: Public Works & Utilities		DIVISION NAME: Gas & Water Supply	Report: __x__ January to June 30, 2010 ____ December 31, 2010 (full year) ____ January to June 30, 2011 ____ December 31, 2011 (full year)
Person Completing Report: Howard Jacobson		Date Submitted 8/23/2010	

Goals and Objectives	Measures	Outcomes and Results	Results for this Reporting Period	Issues or Problems Encountered
Increase gallons treated per dollar	**Gallons treated, chemical cost, electrical cost**	**3620 gallons treated and pumped per one dollar**	3620 gallons treated and pumped per one dollar	Setting base measurement
Record unmetered water	**Hydrant usage, capital projects**	**886,000 gallons accounted**	886,000 gallons accounted	Setting base measurement
Increase gas usage per degree day	**Thousand cubic feet (MCF), days below 65 degrees**	**1577.7 MCF per degree day**	1577.7 MCF per degree day	Setting base measurement
Maintain negative Purchase Gas Adjustment (PGA)	**Gas purchased, pipeline cost, storage cost, fuel cost, imbalance cost, base rate per unit**	**Six month average PGA is negative 3.99 per MCF**	Six month average PGA is negative 3.99 per MCF	Setting base measurement

DEPARTMENT NAME: Public Works & Utilities	DIVISION NAME: Utility Operations	Report: __X__ January to June 30, 2010 ____ December 31, 2010 (full year) ____ January to June 30, 2011 ____ December 31, 2011 (full year)
Person Completing Report: Steve Lipinski	Date Submitted 8/24/2010	

Goals and Objectives	Measures	Outcomes and Results	Results for this Reporting Period	Issues or Problems Encountered
Eliminate Sanitary Sewer Overflows – by removing foundation drains from the sanitary sewer system.	**Consent Decree requires 630 foundation drains removed from sanitary sewer annually**	**Removal of Inflow & Infiltration from sanitary sewer system reducing sanitary sewer overflows and sewer back-ups. In addition to right sizing storage tanks.**	Through June we have completed 425 of the 630. We are on schedule to meet goal.	None
Eliminate Sanitary Sewer Overflows – by replacing or lining sanitary sewer service lines.	**Consent Decree requires 175 private sanitary sewer lines to be replaced or lined annually.**	**Removal of Inflow & Infiltration from sanitary sewer system reducing sanitary sewer overflows and sewer back-ups. In addition to right sizing storage tanks.**	Through June we have completed 92 of the 175 required. We are on schedule to meet or exceed goal.	None
Document the number of sewer back-up calls in basements received.	**Measure the total number of calls and determine if they are related to City pipes or private property pipes.**	**Evaluate the effectiveness of the sanitary sewer maintenance plan, adjust the maintenance plan to clean pipes at the correct intervals to reduce/eliminate claims.**	Through June we have had a total of 110 sewer backup calls of which 97 were the result of blockage in the private sanitary sewer lines vs. 13 related to the City's line.	None

			Report: __X__ January to June 30, 2010
DEPARTMENT NAME:	DIVISION NAME:		_____ December 31, 2010 (full year)
Public Works & Utilities	Utility Operations		_____ January to June 30, 2011
Person Completing Report:	Date Submitted		_____ December 31, 2011 (full year)
Steve Lipinski	8/24/2010		

Goals and Objectives	Measures	Outcomes and Results	Results for this Reporting Period	Issues or Problems Encountered
Repair Fire Hydrants in a timely manner to ensure proper fire protection throughout the City.	**Track the number of hydrants out of service by date & location.**	**Sound water supply system with operating hydrants to provide fire protection.**	This information is not available at this time. We can report that today there are 49 hydrant out of service throughout the City.	We currently have Excel spreadsheets that are used to capture this data. However it has not been used to track the down time factor as this measurement would require. We have built this capability into EAM and will initiate tracking in 2011.
Install new gas services in a timely manner.	**Track the number of new service install requests and track the time it takes from request to installation.**	**Satisfied customers supplied with the natural gas which also adds revenue to the utility.**	Do not currently track this performance measure but some of this information is captured in an Access database. We can report that to date we completed 140 gas repairs including new services.	This data is contained in 2 separate Access databases and has not historically been merged for this exercise. We have built this capability into EAM and will initiate tracking in 2011.
Respond to water main breaks in a timely manner.	**Track the total number of water main breaks and the amount of time from taking the call to restoration of service.**	**Provide water to customers in a timely manner, which also provides proper fire protection.**	Do not track this performance measure at present. We can report that we have completed 352 water repairs to date.	We do not have the data captured on the current work order form. This capability is being implemented with EAM and will be tracked starting in 2011.

BUSINESS PLAN –
FIRE DEPARTMENT

FIRE

Business Plan

City of Duluth

Fire Department

2011-2015 Business Plan

Prepared by: John Strongitharm, Fire Chief

Submitted: March 30, 2011

I.   Executive Summary

Department Overview: For over 140 years, the Duluth Fire Department has been responding to meet the public safety needs of our community. We provide this service through a well-trained staff, up-to-date and well-maintained equipment, and our ability to adapt to the changing emergency response expectations of our citizens.   While our mission to save life and property has remained consistent over the department's history, how we carry out our mission and what type services we provide have significantly changed. There has been an increase in demand for services such as EMS, Hazmat, specialized rescue, code enforcement, emergency management, and quality of life services. Utilization of services has steadily increased, with a noted jump of 120% in emergency calls in the last two decades.   The trend of increased dependency on emergency services and the utilization of programs are major drivers of the services provided and how resources are allocated.

Services and Programs: The structure of the Fire Department has three main components: Fire Administration, Emergency Operations, and Life Safety Services (Prevention, Plan Review, and Inspection Services). From these business lines, we provide programs that support our mission. The following are the primary programs the fire department provides:

- Fire, EMS, Hazmat, and Rescue Emergency Response
- Fire Code Management and Inspection
- Housing Code and Rental Licensing
- Nuisance Abatement – Quality of life programs
- Public Safety & School Fire Safety Programs
- Fire and Arson Investigation
- Emergency Management and Preparedness.

The Building Safety Division of the Planning and Construction Services Department is managed by the Fire Department. This will continue until the new department formalizes a management model. The Fire Department continues to have an active role in Building Safety. We have intentionally left Building Safety out of this plan because the new department is doing their own business plan.

Going Forward: Duluth Fire is a progressive fire department that strives to provide the best services possible. Like most organizations, we are impacted by the current economic conditions. In addition, issues such as staffing, response standards, technology needs, and state and federal mandates have challenged the department.

With challenges come opportunities. That is the focus of this business plan. Working through the identified issues, setting measurable goals, and establishing a reasonable timeline opens up possibilities not normally achievable. The success of this plan is dependent on our employees. Their understanding, support, and willingness to take ownership in the improvement of the department are critical. Our success depends upon our ability, as a team, to work together to achieve our goals and expectations.

Plan for success: 2011 will be an exciting year. With the Fire Department independent study poised to take place, the department will have an opportunity to improve services to our citizens, do it safer, and in a fiscally responsible way. For too long the status quo was the fall back because we did not have the data and plan to move forward. The independent fire department operational study will provide us with data analysis and recommendations on how best to move into the future.   The operational study combined with this business plan allows us to shape the departments future and how best to serve our citizens for years to come.

We cannot solve problems by using the same kind of thinking we used when we created them **- Albert Einstein**

II.   WHO ARE WE?

Mission statement

"Dedicated to save life and property by safeguarding our citizens through progressive building inspection, fire prevention, public education, responding to emergencies, and adapting to meet the changing needs of our community."

Values

We aspire to proudly serve our community through the alignment of high-performance teamwork. We provide a professional emergency response for all service to protect our citizens and community. To achieve this vision, we believe that:

- Service to the public is our reason for being and we strive to deliver quality services in a highly professional and cost-effective manner.

- Citizens are the owners of the City, that the fire department members work for the owners, and that all citizens are treated with the greatest of courtesy and respect.

- Fiscal responsibility and the prudent stewardship of public funds are essential for citizen confidence in government.

- Ethics and integrity are foundation blocks of public trust and confidence and that meaningful relationships are built on these values.

- Open and honest communication is essential for an informed and involved citizenry and to foster a positive working environment for employees.

- Continuous improvement is the mark of professionalism. We are committed to applying this principle to the services we offer and the development of our employees.

- The very essence of leadership is to be visionary and to plan.

- It is important to balance individual, family and organizational growth.

- Proper risk vs. benefit analysis when protecting life and property to prevent employee exposure to unnecessary risk.

Business/Program Structure

Department history

In 1870, the state legislature granted the Town of Duluth a city charter. Duluth became a city with no fire department. With concerns about fire, the newly elected city council amended the charter to include a fire department. The department was staffed with

a few firefighters and substandard equipment. Staffing and equipment changed following several devastating fires which destroyed large industrial buildings and a block of businesses and homes. The business community demanded a better fire department and fire laws to protect their investment.

Over the 140-year history of the fire department, the risks to the community, types of services provided, and community expectations have changed. The training, tools, and funding needed to respond has also changed.

While the fire department looks very different from its beginnings; the mission, vision, and values continue to support our primary purpose of preserving the quality of life for the citizens of Duluth. This is done by protecting life, property, and economic viability of our citizens and businesses.

Organization of the Department

The Fire Department is organized in three divisions. Each division provides key operational functions. The key functions mirror the division titles: Administration, Operations, and Life Safety. All work to support the overall mission.

Operations division responds out of nine fire stations located around the city. The Administration and Life Safety services are provided out of the Headquarters Fire station.

The Fire Chief and Deputy Fire Chief Supervise the Fire Department. Asst Chiefs oversee the Operations Division. The Fire Marshal oversees the Life Safety Division. Together they provide the following key operational functions.

Key Operational Functions

<u>**Administration:**</u>

- Manage all divisions and provide resources and direction in the operation of the Department

- Budget – Establish and oversee the department operational budget, capital expenditures, and grant management

- Policies – Creation, implementation, and enforcement of policies to provide direction to Fire Department staff

- Short and long term planning

- Emergency Preparedness / Management – prepare the City for major emergency events, including nuclear, biological, chemical, weapons of mass destruction, and manmade or natural disasters. This is accomplished through emergency planning, coordination with other jurisdictions, mitigation, response and recovery

- Employee training

- Update of plans and planning tools

- Coordination with Local, State, and Federal emergency management partners

<u>**Emergency Operations**</u>:

- Respond to minimize the loss of life and property

- Emergency Medical Services (EMS) – provide emergency medical services

- Fire Response – providing effective response to fires

- Hazmat response – fully trained State hazmat team to provide regional response to hazmat incidents

- Specialized Rescue – providing other emergency response services such as Ice rescue, auto extrication, high angle rescue, confined space rescue, and water rescue.

- Safety and Training

- Participate in quality of life community programs

Fire Prevention, Housing, Rental Licensing, Solid Waste and Inspection Services:

- Inspect, enforce, and train to provide a safe community

- Rental licensing and inspection program – providing rental license inspections to over 5000 licensed properties

- Fire Inspections and Enforcement – provide fire prevention inspections and enforcing the Fire Code

- Fire education – provide fire/EMS education programs and safety information to the public

- Solid Waste Program – enforcement of solid waste and abandoned property ordinances

- Blight reduction

- Fire investigation - cause and origin

- Public education programs

Budget by Division

$806,000, 6%

$467,300, 4%

$11,981,600, 90%

- Administration
- Emergency Operations
- Life Safety

Organizational Chart

```
                                    ┌─────────────┐
                                    │  Fire Chief │
                                    └──────┬──────┘
                                           │
    ┌──────────────────┐          ┌────────┴────────┐
    │  Administrative  │──────────│ Deputy Fire Chief│
    │   Support (1)    │          └────────┬─────────┘
    └──────────────────┘                   │
                                           │    ┌──────────────┐
                                           ├────│ Training Chief│
                                           │    └──────────────┘
```

| Operations Division Manager Asst Chief (3 Shifts) | Life Safety Division Manager Fire Marshal |

Engine 1 Captain , FEO, FF	Engine 2 Captain ,FEO, FF	Deputy Fire Marshal (2)	Lead Housing Inspector
Engine 3 Captain , FEO, FF	Tower 1 Captain , FEO, FF		Housing Inspectors (3)
Quint 4 Captain FEO,FF,FF	Engine 5 FEO		Solid Waste Officer
Engine 6 Captain, FEO	Engine 7 Captain , FEO, FF		Administrative Support (2)
Engine 8 Captain, FEO, FF	Truck 8 Captain , FEO, FF		
Engine 10 Captain, FEO	Engine 11 Captain, FEO		
Rescue 1 Captain , FEO, FF			

Significant Trends and Changes

Fire Fighter Licensing - The 2009 Minnesota Legislature passed legislation making Minnesota the first state in the nation to license firefighters. The Minnesota Board of Firefighter Training and education is the licensing agency.   Beginning July 1, 2011, all full-time firefighters must be licensed as a condition of their employment.   This licensing will be similar to police officer licensing which required training and continuing education.

The board is still establishing the licensing requirements. The full impact on the department is yet to be determined. The initial cost of licensing all Duluth fire fighters is approximately $10,000.

Increasing Demand for Services – Over the last twenty years, emergency runs have increase by 120%. This is attributed to society's tendency to utilize emergency services more frequently as well as the new emergency service programs. As the demand for services rise, there has been an increase in emergency and non-emergency workload. Time management is critical to ensure we have well trained prepared to respond staff. To address this we are utilizing video and computer technology to reduce the time necessary to train, attend meetings, and eliminate travel. With the emergency response trends over the last 25 years it is likely we will exceed 10,000 emergency incidents by the end of the 5-year plan.

25 Year Incident History
With 7 Year Forecast
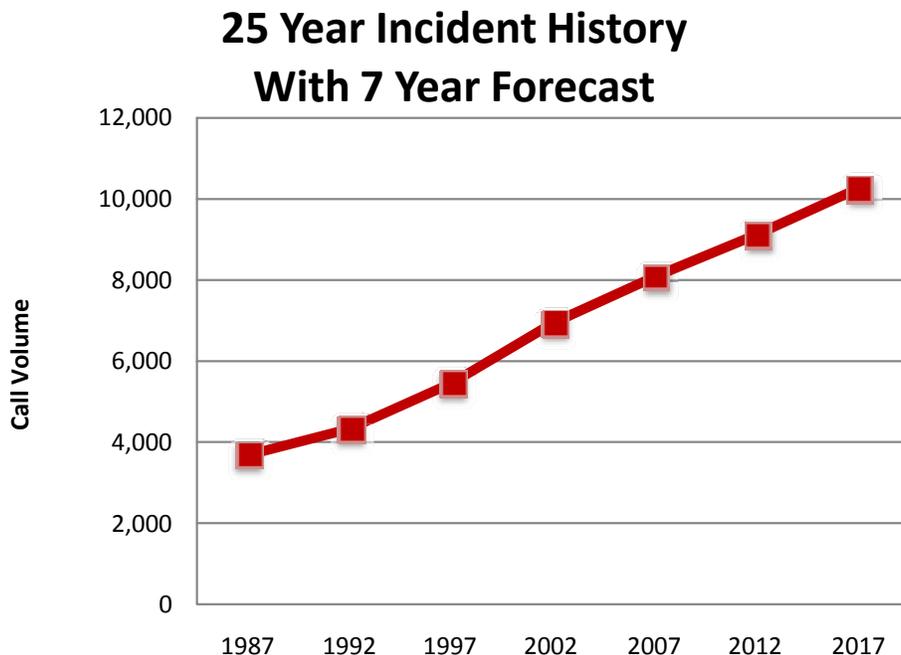
Emergency Management – Following the September 11th 2001 terrorist attack, the scope of work for emergency manager's has been greatly expanded. The added requirements in training, planning, federal reporting, exercises, grant management, and sheer volume of meetings has made it increasingly difficult to be effective with a part time emergency manager. In 2009, the state began providing us $20,000 per year to help support our emergency management program.

With our EMPG dollars, we sponsored intermediate and advanced National Incident Management System (NIMS) training classes. Thirty-five fire, police, and public works employees successfully completed the advanced training. This greatly expanded our incident management capabilities. We also sponsored an American Red Cross seminar on emergency sheltering. In 2011, we will focus on training for elected officials and city administrators. Emergency management will become a part of all employees training requirements.

Development into Rural Areas – Rural areas of Duluth have recently seen a sharp increase in development. In most cases, larger developments are required to have fire hydrant systems that provide adequate fire flow. However, we have seen single-family homes built without adequate fire flow and greater distances to fire stations. This development trend will be monitored. We have compensated for this growth thru agreements with our mutual aid partners to provide water. However, a long-term solution to achieve response time standards and water supply requirements is needed if growth continues in rural areas.

Regionalization – With stressors on city budgets and limited resources available, the days of every fire department providing all services are gone. Cooperation between departments and regionalization of specialized services are the future of public safety. However, regionalization is not new to the fire services.

Minnesota has been successful in regionalizing specialized services such as bomb squads, hazmat response, collapse rescue, trench rescue, and communication needs. As we look for efficiencies, other areas not traditionally regionalized must be considered.

A few examples of regional groups we belong to are Homeland Security Emergency Management Region 2, Fire Chiefs Arrowhead Region 3, Coast Guard Western Lake Superior Region, and others.

Federal Mandates and Standards: A growing number of Federal mandates and standards have impacted emergency services. While there are many unfunded mandates through the State and Federal government, three mandates have a significant impact on the fire service:

> **NFPA 1710 - NFPA Staffing -** The national fire fighting staffing standard, known as NFPA 1710, was adopted several years ago. The NFPA publishes guidelines and standards for the fire service and is the recognized authority in the industry. While the standards are not law, organizations such as OSHA recognize the standards as best practices. These standards provide guidance in fire department response, staffing, and safety. Staffing levels and response times are still a local jurisdiction issue.

> . **OSHA Two-in-Two-out** - Minnesota is an OSHA state and has passed laws concerning safe fire ground practices. One of those laws is the 2-in-2-out law. This law requires two fire fighters be outside capable of rescuing two fire fighters inside a structure fire. Because we do not have four person staffing on apparatus, this requires us to wait for the second apparatus to arrive before interior firefighting can begin except in the case of a known life threat.

> **Federal Communication Commission** - The FCC requires all radio systems meet narrowband requirements by January 1, 2013. In Duluth, this involves migrating to the State Allied Radio Matrix for Emergency Response (ARMER) system. Several million dollars in infrastructure, base stations, mobile radios, and portables are needed. We budgeted for half of these costs through capital bonding and the remainder will be funded through grants. There is a positive aspect to this project. The new system will be more reliable, interoperable, and the state will own and maintain the infrastructure.

These standards and mandates require millions of dollars in additional funding at a time of declining resources. We must watch closely for new state and/or federal government mandates and push for funding of any imposed requirements. The most recent unfunded mandate is the previously discussed State fire fighting licensing requirement.

Expanding Services: Part of the fire departments mission is to adapt to meet the needs of the citizens of Duluth. The fire department is becoming involved in programs that traditionally were not a fire department function. For example: The fire department's role in blight has gone from a small player into the driving agency for enforcement. These new programs require additional training, resources, and policies.

Another example is the emergency medical system (EMS). The addition of limited drug therapy, advanced airways, rehab procedures and other upgrades to the EMS program has improved patient care and fire fighter safety.

These service enhancements do not come without a cost. As budgets tighten, the cost benefit of each expansion of service must be considered before moving forward.

Apparatus - New Federal diesel fuel and diesel motor requirements have resulted in fewer fire apparatus manufacturers and higher costs for fire apparatus. The new requirements have raised this cost by as much as 53% since 2005. In addition, chassis and motor combinations traditionally used in the fire service may no longer be adequate due to the decrease in horsepower, newer type engines, and availability.

SWOT Analysis (Administration Division)

Internal Strengths	Internal Weaknesses
- Working relationships with other departments (Teamwork) - Understanding of budget process - Successful at acquiring Federal and State grants to augment funding - Administrators and support staff committed to provide the best support possible for efficient fire operations - Understanding of Life Safety programs - Emergency Management training - National Fire Academy training - Working relationships with regional and state partners	- Too few supervisors to be proactive in planning and new initiatives - Incident reporting software - Lack of long term planning - Need for city policy training - No leadership succession plan - Growing instability in capital equipment program
External Opportunities	**External Threats**
- Expanded relationships with civic and business organizations - Supervisory training for upcoming department leaders - Cross training of staff to provide more services to the community - Increased grant opportunities - Membership on State Regional Radio Board, Radio Advisory Committee, and User Committee to have input into future regional communications upgrades - Regionalization of appropriate services - Technology upgrades to improve efficiency and reduce cost	- Significant loss of department leadership in next three years - Increased demand for limited dollars - Cost of FCC Radio communication 2013 mandate - State budget deficit - The instability in Federal, State, and City economy - Rapidly increasing costs to maintain basic services

SWOT Analysis (Emergency Operations Division)

Internal Strengths	Internal Weaknesses
• Working relationships with other departments • Competent and dedicated employees • Well established EMS program • Safety committee • Progressive fire suppression, EMS, and rescue services • Employees are young and dedicated • Hazardous materials team • Specialized emergency services	• Loss of experienced members of the department due to mass retirements • Substandard staffing in outlying fire stations impacting fire fighting • Limited leadership training • Challenge of organizational change • Lack of dollars for training budget • Lack of succession plan
External Opportunities	**External Threats**
• Reorganization of department to address adequate rig staffing • Recruitment efforts to have more diverse pool of fire fighter candidates • Expansion of EMS services • Formation of a training alliance to share resources with other departments • Establishment of formalized employee evaluation and development programs • Role in fire inspection and pre-planning	• New OSHA requirements for fire operations • New standards requiring more costly personal protective equipment • Not meeting NFPA 1710 standards • Lack of resources to support new programs • Expanded hazards such as pandemic response, weapons of mass destruction, and bioterrorism • Reductions in local government aid impacting ability to maintain services.

SWOT Analysis (Life Safety Division)

Internal Strengths	Internal Weaknesses
- Aggressive origin and cause investigation - Occupational Permit Program - Juvenile fire setter, and community support programs - Fire company elementary school Program - General fire safety education programs - Blight Program - Solid Waste compliance program - Established working relationships with other departments - Vast Institutional knowledge - Continuing education to keep staff technically informed - Rental licensing program	- Lack of support from the courts - Technology upgrade - Insufficient staff to meet demands of current rental housing program - No periodic performance evaluations - Staffing levels in Prevention do not allow absorption of additional responsibilities - Lack of fire prevention officer development - Lack of performance objectives - Challenge of organizational change - Lack of interest from internal candidates to take promotional exams into life safety - Lack of adequate resources to deal with condemned properties
External Opportunities	External Threats
- Grants for various fire prevention programs - Fire sprinkler/fire alarm permitting - Rental housing inspection program - Fire prevention officer development - Company Level Fire Prevention Training - Computer software upgrades - Administrative citations and nuisance abatement - Streamlined development process - Established performance goals	- Misperceptions of public and press - Compromise integrity for expediency - Resistance to rental reform - The scope of the blight program; playing catch up - Increased regulations to deal with demolition of condemned properties - Increased foreclosures

III.   OPERATIONS

Revenues

Fire department revenues are limited to the rental-licensing program, operational permit program, various State aids, and grants.   The largest and most costly division does not have revenue generation opportunities.   The permit revenue levels have remained constant over the years. State Aid has declined significantly over the last five years. Revenues cover approximately 5% of the cost of the department.   Additional resources have been generated through local, state and federal grants allowing the department to offset operational cost.

Personnel

The Fire Department staff is comprised of highly skilled and committed employees.   The skills needed to be successful varies between divisions. Fire Operations requires career long training to insure proficiency at life saving skills. As services expanded, training has exponentially increased to the point it is required nearly every workday.

Number of Employees

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Building Safety	24	24	25	25	23	25	24	23	24	0
Fire Prevention/Life Safety	4	4	4	4	4	4	3	3	3	9
Administration	4	4	4	4	4	4	4	4	4	4
Operations	131	129	129	126	123	126	126	127	127	127

The Life Safety staff provides code and inspection services. Staff require ongoing continued education to remain current with state and local codes as well as inspection and investigation techniques. Life Safety staff require excellent customer service skills. They are often dealing with people in stressful situations.   These employees are there to ensure a safe environment and high quality of life for the citizens of Duluth and r visitors

The Administration staff provides leadership, policymaking, planning, budget development /oversight, and department management. In addition, the administration staff provides emergency management services for the entire city.

Together the three divisions work to support the department's mission.   Over the last 10 years, staffing levels have decreased slightly.

In 2011, Building Safety Division was split.   The rental-housing component combined with fire prevention to make the Life Safety Division. The construction component was combined with the planning department into a new one-stop-shop.

Staffing Pool

In 2010, a change was made to the staffing pool. The pool is used to fill vacancies created by vacation, sick leave, and military leave.   Until recent years, the staffing pool consisted of a Captain, two Fire Equipment Operators (FEO's), and five Fire Fighters. In 2009, budget reduction resulted in the staffing pool being reduced. A 2010 change removed the Captains and FEOs from the pool and replaced them with fire fighters. There is small cost savings with this change. This is reflected in the staffing by rank chart below.   We have increased the number of fire fighters and decrease the number of Captains and FEO's.   The size of the staffing pool cannot cover unexpected staffing shortages. This results in overtime. .
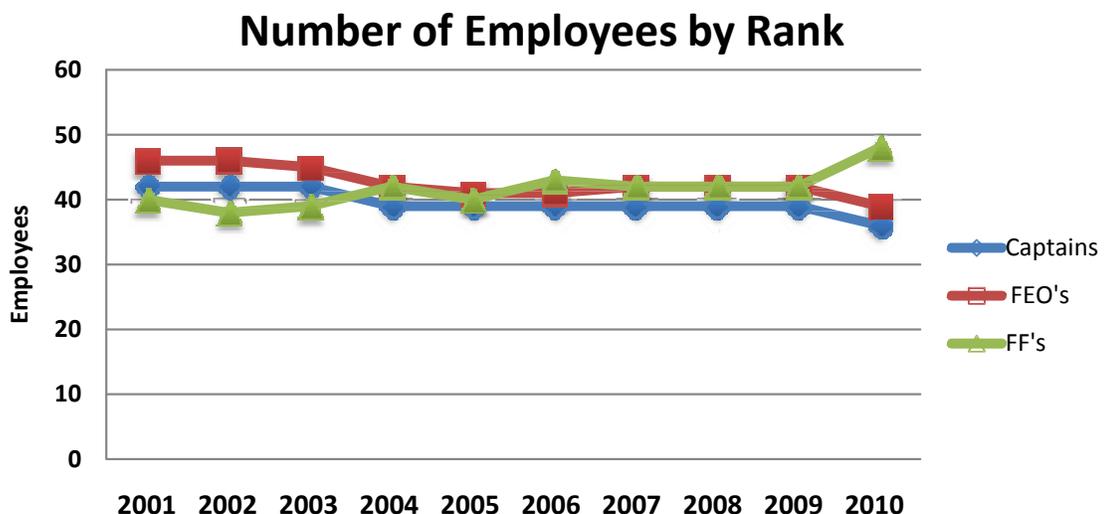
Key Expenses

Personnel - Trained employees are the department's greatest asset. Our employees allow us to bring the programs and services to our citizens. This is reflected in how the budget dollars are allocated.   Ninety-five percent of the budget is personnel expense.

The remaining five percent of the budget is used for building expenses, tools, supplies, and safety equipment needed to fulfill the department's mission.

There is a significant cost to protect our personnel. Personnel Protective equipment, breathing apparatus, medical evaluations, and specialized training, are all required to make our staff as productive and safe as possible.

Department Expenses

■ Personnel   ■ Operating Expenses

95%

5%

 A new issue we have been forced to face is the mobility of firefighters and their willingness to leave for other departments and take our investment with them.

Apparatus - The cost of apparatus has been rising very quickly. This is largely due to new pollution standards for diesel motors and that there are fewer manufactures that build fire apparatus. The costs for similar fire engines have increased by 53% since 2005. The increasing cost makes the longevity of the apparatus more important. The chart shows the increase in cost for the last four fire engines purchased. The sharp incline illustrates the impact of the pollution standards.

Appratus Cost

$500,000	
$400,000	
$300,000	
$200,000	
$100,000	
$0	

2000   2005   2007   2009

Location & Facility

Our fire stations are well maintained and have been upgraded through the capital improvement program. The fire stations meet the needs of the department considering our current response model. There are issues with station locations. The fire stations were built where they are to meet the needs of the community in the 1950's or earlier. Since that time, the city has developed in areas not populated in the past. This has created a need for additional and/or the relocation of fire stations. A priority of our upcoming department operational study will be an assessment of the most efficient fire station location.

We are currently rekeying all the fire stations to a Best Key system, replacing three separate key systems with one secure one.

Legal issues

The fire department uses the City Attorney's Office in matters that concern code adoption, code enforcement, contract issues, labor issues, drafting of contracts, and processing resolutions and ordinances. The services provided meet the needs of the department. Occasionally we have a significant issue that the Attorneys office provides legal advice and support.

One example of a significant issue is the 2011 rental reform initiative.   A challenge was made concerning the legality of provisions in the reform. The judge ruled that the rental reform program could continue. Future action may be taken with the potential of the issue reaching the courts.   The city Attorney's Office represents the fire departments in these type matters.

Key Suppliers

A majority of our suppliers are local vendors. We attempt to keep purchasing local when possible and competitive.   Online purchasing has increased in areas where appropriate. We carry enough supplies to allow for uninterrupted service for over a month.   Prices have been stable and there are no real concerns with general purchases.   Fire apparatus issues raised earlier are a concern.

Capital Expenditures

Radio System: The upgrade to the new radio system is a large one-time cost for public safety. Capital expenses are budgeted at $480,000 for 2011 and $720,000 for 2012 for a total cost of 1.2 million dollars. Additional funding needs will be met through federal and state grants. With the new system, the state owns the infrastructure resulting in a cost savings over time.

Apparatus: Our largest capital expense is fire apparatus. Our apparatus replacement program assumes a 15-year life span for front line apparatus. The national average expected frontline life of fire apparatus is twelve years and four years in reserve. Unfortunately over the last ten years, only four apparatus have been replaced. This is largely due to administrative priorities, limited dollars dedicated to rolling stock capital, and a desire to keep bonding debt as low as possible.

Any one-year funding priority shift would not have a major impact on the fire department fleet. However, canceling several years purchases is problematic. Currently twelve of our sixteen apparatus are ten years or older. More concerning is nine of the sixteen are past the age for recommended frontline status. With 56% of our fleet fifteen years or older, we cannot put off any apparatus purchases. A fleet age document can be found in the appendix.

Compounding the problem, the cost of fire apparatus has risen 53% over the last five years. Over the next five years, two fire ladder trucks and five engines should be replaced. With fire ladder truck costs approaching $850,000 and fire engines near $500,000, it is critical that we get the longest usable life out of them. We have implemented several programs to limit mileage, prevent rust, and limit accidents through drivers training.

Fire Appratus Age

- 0 - 10 years old
- 10 - 15 years old
- Older than 15 years old
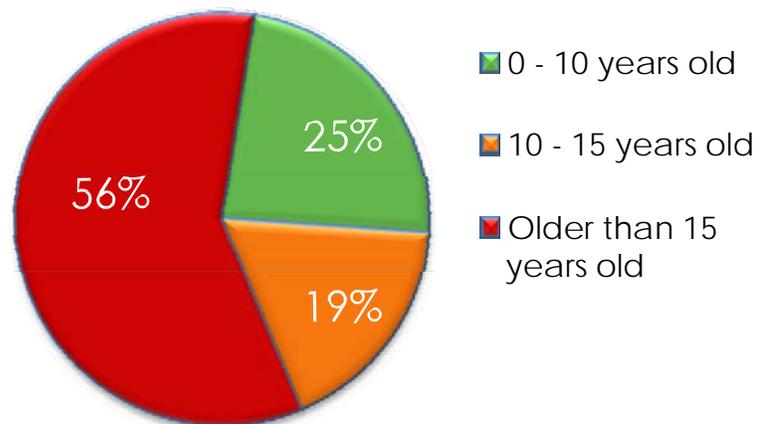
IV.   WHAT DO WE WANT TO ACHIEVE/WHAT DO WE WANT TO BECOME?

Vision

The Duluth Fire Department is a team of professionally trained and dedicated employees whose diverse strengths create the positive environment necessary to accomplish our critical life safety mission and provide exceptional customer service for our community.   Quality service, positive reform, and measurable improvement will serve to inspire community pride and leave a lasting legacy of Duluth as Minnesota's safest city.

Five-Year Goals & Objectives

Goal	Objective	Tactics	Measure
Provide effective customer service	Meet the standard of coverage (NFPA 1710)	• Maintain city coverage to safely arrive in five minutes or less • Address building issues that have slowed response times. • Install MDC's in all fire rigs to reduce response time and provide important on-scene data	• % of time that firefighters are out of the station in 60 seconds or less • % of the time that travel time to emergency events is four minutes or less • % of time that at least 14 firefighters arrive at fires in 8 minutes or less
	Increase customer satisfaction with the Fire Department	• Provide customer service training to all supervisors • Create surveys to send to citizens served	• % of citizens that report satisfaction with the Fire Department

Goal	Objective	Tactics	Measure
Reduce risk in the community	Reduce public illness, injury and death	• Sustain Public Fire Education with a focus on community risk reduction Deliver life safety information to all schools in Duluth each year • Expand commercial inspection	• # of lives lost due to fires • # of civilian injuries due to fires • # of lifting assist • # of commercial inspections conducted • # of preplans completed
	Deliver life safety information to the public	• Add a preplan component inspection program • Enhance rental program • Expand role of fire companies in fire education	• # of complaints associated with rental housing
	Keep structures safe	• Expand commercial inspection program • Strengthen rental housing program	• % of hazardous materials facilities inspected annually • % of 4+ unit housing buildings inspected annually • % of commercial/industrial properties inspected annually
	Expand nuisance abatement program	• Continue vacant and foreclosed property board up program • Utilize vacant property registration program • Fund program to deal with issues such as solid waste, yard waste, condemned homes and vacant vehicles. • Firefighter blight program	• # of vacant buildings secured • #of vacant home registered • # of nuisance complaints • # Number of Blight inspections • % of blighted properties that self correct after visit

Goal	Objective	Tactics	Measure
Reduce risk to employees	Reduce firefighter injuries	• Review all fire fighter accidents and make recommendations • Review all vehicle accidents and make recommendations	• # of firefighter injuries • # of firefighters that receive an annual health review • # of Fire Department vehicle accidents • # of workdays lost due to injury
Strengthen the workforce	Recruit and retain a diverse workforce	• Review procedures for fire fighter recruiting and testing to be used for future hiring • Work with HR and Human Rights office to increase under represented population candidate pool	• % of applicants for Fire Fighter that are women • % of applicants that are from under represented population • % of workforce that are women • % of workforce that are from under represented population
	Prepare employees for leadership positions	• Encourage officers to attend college courses until they complete a four-year fire-related degree	• % of workforce that continue their education • % of workforce who receive an annual performance review
	Improve employer-employee relationships	• Increase department wide communications • Give job satisfaction survey to all employees	• % increase in employee job satisfaction • Job evaluations
Provide good value to the taxpayers	Capture revenue from sources outside the General Fund Cost savings in employee back to work program	• Apply for all available grant funds to hire and train personnel as well as purchase new equipment • Identify best practices from around the country and bring them to Duluth • Work with medical provider to have fire fighters return to work as soon as possible • Improve ISO insurance rating • Investigate fire department accreditation program	• Value of grants obtained vs. the annual budget. • % of revenue derived from building permits • % of revenue derived from housing inspection revenue • % of revenue derived from commercial inspection program
	Measure budget against benchmark cities		• # of fire fighters per square mile • Cost per citizen for fire and EMS services • # of firefighters per 1,000 • Response time comparison

V. HOW ARE WE GOING TO GET THERE?

Major Issues and Recommended Solutions

Issue 1: - Fire Department Operational Study – With limited resources, more stringent fire fighting standards, and increasing public expectations, we believe a comprehensive operational study is a critical part of our short and long term planning. Many issues identified in this business plan will be highlighted in the department operational study.

Recommended Solution – A fire department operational study is part of a three-prong approach for improvement. The three parts include the study, evaluation of an accreditation program, and Insurance Service Organization, ISO audit. The study will examine operations of the department and make recommendations for improvements. The following actions are recommended:

- Complete internal command staff review

- Internal evaluation of the departments compliance with OSHA and NFPA standards

- Select and enter into contract with operational study consultants

- Encourage active participation in the study by union and management

- Provide required data to consultant

- Participate is study process

- Participate in review process

- Use study results as a guiding document to improve the department's response capabilities and efficiency

Issue 2: Radio Communications - The Federal Communications Commission (FCC) mandated that all radio users operating below 512 MHz move to narrowband voice channels by January 1, 2013. Using narrowband channels will ensure that we take advantage of more efficient technology and, by reducing channel width, will allow additional channels to exist within the same spectrum space. All public safety agencies need to aggressively develop a strategy to meet narrowband deadlines to avoid cancellation of existing wideband FCC authorizations. The migration deadline is in the middle of this five-year plan. We are working closely with St Louis County to ensure we

remain compatible with their equipment.   Since the last business plan, a decision has been made to move to the State ARMER 800MHz system.

We are members of the Regional Radio Board (RRB), Regional Radio Advisory Committee (RAC) and User Committee. These boards and committees are planning for future of radio upgrades and interoperability. We are monitoring funding available through the State and other programs, but have also earmarked a total of 1.2 million dollars in the capital fund for 2011 and 2012. While we are focusing on public safety communication, the FCC rules affect all of the city's radio communications. This upgrade is mandated and must be done.

Recommended Solution - Continue to look for grant funding options.   The City and St Louis County have decided to migrate to an 800 MHz system.   The following action will take place:

- Participate on the Regional Radio Board and Regional Radio Advisory Committee

- Insure sufficient capital funding is available to replace obsolete equipment

- Work closely with St Louis County to insure we move forward in a coordinated approach

- Continue to monitor state and federal grants to offset cost of systems

Issue 3: Nuisance Abatement Program Expansion – Nuisance properties have negatively affected the quality of life in our neighborhoods. While we work to address the issues, the process and use of the court system has proven to be ineffective and takes far too long with limited results for our efforts. With the new Administrative Citation Program, we have a new enforcement tool for non-compliance. In addition, we have added budgeted dollars to accomplish property clean up when necessary.

 Recommended Solution – Expand current blight program to include:

- Appropriate use of the Administrative Citation Ordinance to help with nuisance problems

- Establish a process to use budgeted dollars for cleanup

- Expand firefighters role in the blight reduction program

- Coordination between the fire fighters blight program with Solid Waste Compliance officer

- Work closely with blight committee and prioritize resources to target areas,

Issue 4: ISO – The Insurance Services Office (ISO) is an independent organization that serves insurance companies, fire departments, insurance regulators, and others by providing information about risk. ISO's expert field staff visits communities around the country to collect information about their fire departments, their fire alarm and communications systems, and their water supplies. ISO analyzes that information and assigns a Public Protection Classification. Currently Duluth is a Class 4, but only a few points away from a Class 3. Our goal is to raise the ISO rating of Duluth from 4 to 3 in 2011-2012 and from class three to Class 1 by the end of the five-year plan. Improving the city's class rating, will have two significant impacts. It will reduce commercial fire and residential insurance cost. It will also help improve our operations in those areas evaluated by ISO.

Recommended Solution – Work with ISO to make necessary changes to improve the city's Public Protection Classification rating. The following actions are recommended:

- Contact ISO for information on how to improve ISOP rating.

- Do a self assessment prior to any formal request

- Find areas that need improvement

- Budget for necessary upgrades

- Formally request an ISO evaluation

Issue 5: Fire Department Accreditation - The Commission on Fire Accreditation International (CFAI) program is a comprehensive self-assessment and evaluation model for fire and emergency service organizations. Using this program, fire and EMS sectors can improve their level of professionalism, while enhancing service delivery. The program helps determine risks and fire safety needs, evaluates performance of the department, and provides a method for continuous improvement.

The CFAI program provides an excellent self- assessment process for fire and EMS agencies to evaluate themselves. Accreditation and self-assessment improve organizational professionalism, promotes excellence within the fire and EMS service,

and encourages quality improvement through a continuous self-assessment process. The assessment process helps identify the areas of strength and weakness within a department. It creates methods or systems for addressing deficiencies while building organizational success and encourages professional growth.

Accreditation requires a significant time commitment, but is well worth the effort. A process covering such a broad range of services and programs cannot be easily completed. The largest portion of time required to achieve accreditation is the self-assessment process. Data gained from the testing and research accreditation model estimates 700 to 1000 staff hours to complete the entire process. While this time commitment and the corresponding financial commitment of salaries may seem overwhelming, it should be considered in relation to the outcome.

One of the concurrent benefits of the accreditation process is the development of planning documents, including short-term action and long-term strategic plans. The accreditation process, in addition to subsequent planning documents, are a valuable tool in the budgeting process as well as a basis for justifying departmental programs and services. Considering the time and financial commitment to plan and budget, the accreditation process is well worth the time.

Recommended Solution – Examine the feasibility of gaining fire department accreditation. The following actions are recommended:

- Contact with Commission on Fire Accreditation International (CFAI) to determine the program time requirements and cost

- Command staff to determine if accreditation is reasonably possible

- Conduct self-assessment in 2012-2013

- Budget for accreditation program prior to 2013

Issue 6: NFPA 1710 Fire Apparatus Staffing & OSHA Regulations – National Fire Protection Association fire department staffing and response standards have raised concerns about staffing levels on apparatus. Over the last four decades, apparatus and staff have been eliminated. We are currently staffed at a level that is well under recommended standards with some of the apparatus at ½ to ¼ the national standard. A restructuring of the department would improve safety on apparatus. It would move us closer to meeting the staffing standards of NFPA 1710. Other requirements of NFPA

1710 would need to be considered when making changes.   In addition to NFPA standards, OSHA has a two in two out law. OSHA requires two fire fighters be outside the building as backup prior to two fire fighters making entry into a structure fire. There is an exception for known life risks. This is problematic with two-firefighter staffing on fire rigs. It requires a second rig on the fire scene before interior fire suppression can begin. Both NFPA 1710 and OSHA two-in-two-out will be addressed in the fire department operatioanl study, ISO review, and department accreditation.

Recommended Solution – Addressing NFPA 1710 needs to be evaluated / implemented in a staged manner. The following actions are recommended:

- Internal evaluation of how services are provided and changes needed to improve staffing

- Fire department operational study, ISO, and fire department accreditation should be done as soon as possible. Look into rig staffing, future station placement, organizational structure, and standard operational guidelines

- Monitor and set goals to increase NFPA 1710 and OSHA two in two out compliance

- Move to new fire department reporting software to be able to get better fire department response data

- Create plan to implement recommendations

Issue 7: - Succession Planning and Staff Development – Most organizations are struggling with an aging workforce and people retiring in unprecedented numbers. The fire department has lost a great deal of experience in operations at the Captain rank and below. The command staff has been relatively stable, but within the next 5 years, this will change. Nearly all leadership and key support staff will be retiring. This is concerning because very few employees have an understanding of department management principles, budgeting, policy development, and code enforcement. It is critical to develop future leaders of the department. The following actions are recommended:

- Budget for professional development of employees

- Encourage employees to attend post secondary education

- Provide mentoring to those who have shown interest in taking on leadership roles

- Have Captains take on a more active role in the management of the department

- Support committees to deal with department issues

- Provide training in budget creation and adoption

- Involve employees in equipment purchases decisions

- Work to share information with a greater percentage of the department

- Explore onsite National Fire Academy classes related to department management

Issue 8: Fire Department Management Staff – The fire department does not have enough administrative staff. The department has two supervisory employees: the Fire Chief and Deputy Fire Chief. With the recent added responsibility of Rental Housing, Building Safety oversight, and Emergency Management, we are forced to be reactive to only the most pressing issues. There is limited time for any proactive management, planning, new initiatives, and employee mentoring.

Recommended Solution – This issue will be a major focus of the fire department accreditation, and operational study.   The lack of sufficient management staff is the root cause for many of the concerns in the fire department. The following actions are recommended:

- Utilize input from command staff meetings, fire operation study, ISO review, and fire accreditation program

- If after review, it is found that additional management staff is necessary, budget for in 2012

- Push work down that is typically done by supervisory employees to the appropriate level

- Expand management responsibilities of the command staff

Issue 9: Workforce Diversity– In the mid 1980's, the department changed from open testing to requiring certifications prior to testing. The unintended results have been a reduction in the applicant pool by 90%. This was done as a cost saving measure. It

eliminated the need for a training academy. Despite the reduction in applicants, the Duluth Fire Department has nearly three times the national percentage of female fire fighters. We have not been as successful in attracting the underrepresented populations to take our exam.

Recommended Solution:

- Establish a recruitment program for high schools and colleges

- Research best practices in fire fighter hiring

- Work with Human Resources and Human Rights office to attract additional underrepresented population candidates

- Explore going back to an open test and fire fighter academy

Issue 10: Fire Apparatus Purchases – Our apparatus replacement program anticipates a 15-year life span for front line apparatus. The national average expected life of fire apparatus is twelve years frontline and four years in reserve. Unfortunately, over the last ten years we have only replaced four apparatus.   Currently, twelve of our sixteen apparatus are ten years or older. More concerning, is nine of the sixteen are more than fifteen years old.   With 56% of our fleet this old, we cannot put off any apparatus purchases.

Compounding the problem, the cost of fire apparatus has increased 53% in the last five years. We have implemented several programs to reduce unnecessary mileage, prevent rust, and minimize limit accidents.

- Evaluate apparatus equipment needs in the Study, ISO, and Accreditation

- Reverse trend of delaying major capital equipment purchases

- Consider purchase of multiple apparatus at a time for better pricing

- Support programs and maintenance that reduce wear and tear on apparatus thereby lengthening the front- line life of apparatus

Issue 11: Emergency Management – The Emergency Manager position moved to the fire department 15 years ago. A half time employee was approved to assist the Fire Chief. This position was cut due to budget issues before the position was filled. Following the September 11, 2001 terrorist attack, the scope, responsibility, and time commitment was greatly expanded. The added requirements in training, planning, exercises, grant management, and the sheer volume of meetings has made it increasingly difficult to be effective with only a part time emergency manager. In the future, it will be likely that the fire chief will need an assistant to aid in the required work and reporting.

Recommended Solution – Our capability to plan, prepare, respond and recover from disasters needs to be expanded, practiced, and reviewed. The following actions shall take place:

- Fund an assistant to the fire chief to provide support in the emergency management function

- Increase funding for maintenance of warning systems, emergency management tools, software, and communications systems

- Provide annual training to city administration, elected officials and department heads concerning roles each play in disaster management

- Provide funding to complete a Continuity of Operations Plan and provide employee training

- Provide backup of city data and outfit the EOC to function as a temporary city hall in the event it is compromised

- Invest in technology to allow key employees to work from home in the event of a pandemic / disaster

VI.   WHAT RESOURCES ARE WE GOING TO USE?

Finance Plan - Budget to Actual Financial Statement

Budgetary Notes

The preparation of this financial statement was difficult since the department has split a division, added a division, and removed a division from the department budget over a three-year period. In an effort to make a reasonable comparison, 2009 costs and revenues were removed from the formula.   Notable changes include the removal of Building Safety from the fire department budget in 2011. The fire department continues to manage Building Safety. Another significant change was the increased revenue and associated increased cost for staff in 2012. The revenue and staff increases are related to fee increases in the rental-housing program. We hope to make these changes in mid-2011.

 A 2% increase to account for inflation was added to 2012 trough 2015.   Instability in the economy may affect this forecast.   There could be significant changes from these staffing and cost models associated with implementation of fire department operational study recommendations.

	2010 Actual	2011 Budget	2012 Projection	2013 Projection	2014 Projection	2015 Projection
Revenues						
Administion /Aid	$487,087	$472,700	$472,700	$472,700	$472,700	$472,700
Life Safety	$562,308	$521,200	$700,000	$700,000	$700,000	$700,000
Const Permits	$2,439,743	$0	$0	$0	$0	$0
Total Revenues	**$3,489,138**	**$993,900**	**$1,172,700**	**$1,172,700**	**$1,172,700**	**$1,172,700**
Expenditures						
Salaries	$10,262,995	$9,163,400	$9,471,668	$9,661,101	$9,854,323	$10,051,410
Overtime	$630,135	$527,500	$541,850	$552,687	$563,741	$575,016
Benefits	$3,254,577	$2,863,800	$2,941,076	$2,999,898	$3,059,895	$3,121,093
Other Expenses	$784,450	$700,200	$719,204	$733,588	$748,260	$763,225
Total Expenditures	**14,932,157**	**13,254,900**	**13,673,798**	**13,947,274**	**14,226,219**	**14,510,744**
Net Expenditures	**($11,443,019)**	**($12,261,000)**	**($12,501,098)**	**($12,774,574)**	**($13,053,519)**	**($13,338,044)**
Staffing Levels (FTE's	**158**	**140**	**142**	**142**	**142**	**142**

Variance

	2010 vs 2011	2011 vs 2012	2012 vs 2013	2013 vs 2014	2014 vs 2015
Revenues					
Administion /Aid	($14,387)	$0	$0	$0	$0
Life Safety	($41,108)	$178,800	$0	$0	$0
Const Permits	($2,439,743)	$0	$0	$0	$0
Total Revenues	($2.495,238)	$178,800	$0	$0	$0
Salaries	($1,099,595)	$308,268	$189,433	$193,222	$197,086
Overtime	($102,635)	$14,350	$10,837	$11,054	$11,275
Benefits	($390,777)	$77,276	$58,822	$59,998	$61,198
Other Expenses	($84,250)	$19,004	$14,384	$14,672	$14,965
Total Expenditures	($1,677,257)	$418,898	$273,476	$278,945	$284,524
Net Expenditures	($817,981)	($240,098)	($273,476)	($278,945)	($284,524)
Staffing Levels (FTE's)	(18)	2	0	0	0

Percentage Change

	2010 vs 2011	2011 vs 2012	2012 vs 2013	2013 vs 2014	2014 vs 2015
Revenues					
Administion /Aid	-3%	0%	0%	0%	0%
life Safety	-7%	34%	0%	0%	0%
Const Permits	-100%				
Total Revenues	-72%	18%	0%	0%	0%
Salaries	-11%	3%	2%	2%	2%
Overtime	-16%	3%	2%	2%	2%
Benefits	-12%	3%	2%	2%	2%
Other Expenses	-11%	3%	2%	2%	2%
Total Expenditures	-11%	3%	2%	2%	2%
Net Expenditures	7%	2%	2%	2%	2%
Staffing Levels (FTE's)	-11%	1%	0%	0%	0%

Workforce Plan

Staffing continues to be the most important challenge for the Fire Department. We are working with mutual aid and automatic aid partners to ensure that we have adequate response resources when a large-scale event happens in Duluth.   We will continue to redeploy resources around the city to best address public safety needs as they arise.

Over 90% of Fire Department employees provide direct emergency service on the street. A key issue for the future is finding new leaders in the Department that are willing to transition from emergency response to an administrative position. Creating a work environment that features effective communication, outstanding labor management relations, and increasing morale will be a priority for the Fire Department over the next five years.

In 2011, the department will conduct employee surveys to capture information about the workforce's educational background, job satisfaction, and continuing education needs The department will continue to seek feedback, to refine a strategy that will address effective communication, labor management relations and morale.

Staffing Model: The fire department has operated under the same staffing model for decades. This model directs most of resources into fire operations/fire stations. There are limited number of managers, resulting in an inefficient span of control, lack of time for planning, difficulty with new initiatives, lack of mentoring new leaders, and a status quo department mentality. After years of budget cuts, increasing workloads, and additional training requirements, we need to look at alternate ways to provide the services to our community. Change is difficult in public safety and probably for good reason. Rash decisions can have significant negative consequences. The fire department operational review will provide the necessary data to provide a roadmap for making educated and rational decisions in the future. Issues including the number

of stations, apparatus staffing, response times, safety needs, and the type of services delivery should be addressed.

Employee Training, Professional Development, and Performance Evaluations: Training is a important function of Administration, Fire Operations, and Life Safety. Training in department programs and job related tasks is adequate. The new video conferencing equipment expands our capabilities. We fail to meet expectations related to advance training including post secondary education, management / supervisory training, and professional development. We need to work with the higher education community to bring this training to the stations. Additional training to support succession planning is important.

Performance evaluations will begin in 2011. Using the evaluation process, we hope to find employees with the aptitude and desire to take on leadership roles and develop the skills necessary to fill vacancies created by retiring senior staff.

Diverse Workforce – Hiring Process: The Duluth Fire Department's workforce has seen tremendous change in the last ten years.   One aspect of this business plan was to take a critical look at the hiring process and diversity in the workforce. A December 31st, 2007 Equal Employment Opportunity Commission report states that 8 % of the fire department workforce is female. That is three times the national fire department average. The report also states that 3% of the workforce is from underrepresented populations.   The Duluth / St Louis County / Douglas County area is 92% white.   The Department has institutionalized its strategies to hire, promote and maintain a highly qualified, diverse workforce. Focused recruitment will be required to maintain a workforce that accurately mirrors the community we serve.

Building Safety – In 2011, Building Safety moved from the fire department to the newly formed Construction Services and Planning Department.   The new department is the foundation for the new one-stop-shop concept. While Building Safety is no longer part of the fire department, the fire department management continues to manage the construction services side of the department.   This has caused some confusion in the creation of budgets and documents like this. It has also impeded the smooth melding of the two divisions into a new department. The goal is to have a long-term solution for Building Safety formalized this year.

Bench Marks: The Fire Department has conducted benchmarking research with cities of similar size and climate in an effort to determine how the department compares to them. The following chart details some of this research:

Table 1 shows how Duluth compares to similar cities in apparatus and apparatus staffing levels. Duluth is the only city that reported truck staffing less than four and the only city with staffing less than three. I have included this 2008 table because it is the most current data we have. Once the 2010 census data for Minnesota is released, we will update the chart.

Table 1: 2008 Fire Apparatus & Apparatus Staffing Levels

| City | Sq Mile | Station | Population | Call Volume | Apparatus | | | | Staffing | | | | |
					Engines	Trucks	Rescue	Hazmat	Engine	Truck	Rescue	Haz-mat	FF Per Sq Mile
Duluth MN	68	9	84,397	8,073	9	3	1	1	3/2/1	4/3	3	Dual Staff	1.9
Rochester MN	40	5	99,121	7,542	5	2	2	1	4	4	4	Dual Staff	2.7
St Cloud MN	30	6	66,503	3,619	4	1	0	1	3	3/2	0	Dual Staff	2.4
Fargo ND	38	6	92,600	3,886	6	1	1	1	4/3	5	3	Dual Staff	2.7
Sioux City IA	55	7	82,684	N/A	7	2	0	2	4/3	4	0	Dual Staff	2.1

WORKFORCE ACTION TABLE

Key Workforce Objective	Measurement	Short-Term Actions	Expected Completion	Long-Term Actions
Performance Management, including professional development plans	% of dept. that gets annual performance evaluation % of department with professional development plan	Work with HR to establish annual performance evaluations Use performance evaluations to track percent of department pursuing education	10/2011	Accurately track employees that are using continuing education as part of their professional development
Assess training needs and fund and provide identified training	% increase in training provided to fire companies % reduction in fuel use	Use 2 way video system to increase training opportunities Support ongoing Ed and regional training	On-Going On-Going	
Expand diversity in our candidate pool	% of applicants from an under-represented population. % of applicants hired from under represented population	Meet with HR to discuss hiring practices and develop strategies to encourage under-represented to apply for positions	1/2012	Ongoing recruitment and consideration of changing hiring practices / requirements
Life Safety	# of employees that attend code update classes and receive certification	Have life safety employees attend annual training	On-Going	
Improvement through the fire department accreditation and ISO	Achieve fire department accreditation	Begin Accreditation and ISO process	2013	Ongoing review and

Technology Plan

Introduction: Information technology continues to play a greater role in the day-to-day business of the Duluth Fire Department. Statistics gathered through technology used by the department help justify budget requests, project staffing needs, redesign response plans, report performance measures, and prepare annual reports. Data is becoming increasing important during response and incident management.

Software Upgrades in NFIRS Reporting and Code Management: We are moving forward with a new comprehensive software package that will support the Life Safety Division as well as other divisions across the city.   In addition, the State now provides fire-reporting software at no cost. We are moving toward migrating to the state supported fire reporting software. With the new software, we will have improved access to data. We plan to complete this in 2011.

Video Conferencing: Video conferencing equipment has enabled us to provide live video training in fire stations eliminating the need for travel to the training facility. This has three significant advantages. It saves on fuel costs, reduces wear and tear on the apparatus, and keeps the apparatus in their districts for immediate response.   We funded the system through a FEMA grant and collaborated with the North East Minnesota eleven-county region to increase the number of agencies that can be on at one time.   In addition to savings, it has open doors to different types of training at different times of the day.

Mobile Data Computers (MDC's) in Fire Rigs: As our GIS capabilities grow, computers in fire apparatus become more valuable. Mapping routes to incidents, building systems information, chemical storage, and fire hydrant locations are just a few examples of data that would be helpful in responses.   We have secured grant funding for the project and expect to complete it in 2011. This installation will be coordinated with the County 911 agency.

Narrow Band Radio System: The upcoming migration to 800 MHz system will require coordination between City and County MIS and communications shops to insure we do not duplicate work and have the most efficient system. Once the system is up and running the infrastructure technology will be largely supported by the State.

TECHNOLOGY ACTION PLAN TABLE

Key Business Technology Need	Desired outcome/result	When	One-time costs	Ongoing Costs	Source of Funding
Migrate to State Fire Marshal reporting software for NFIRS	More user friendly web based program that will provide a stable reporting format at no cost	2011	$0	$0	No Cost
Add Interface to NFIRS and auto population of reporting program	Auto populated data in reports to increase accuracy data collection	2010	$20,000	$3,500 per year licensing	Completed in 2010
Upgrade of Code Mgt Software	Improve permit and project management	2011	N/A	N/A	N/A
MDC's in all fire apparatus	Improved fire response through GIS mapping, street maps, and preplans	2011	$120,000 for 20 apparatus at $6,000 per vehicle	20 air cards- $1000 per month.	Offset cost by reduction in dedicated phone lines. Increase in safety and fire department productivity Grant Supported
Radio system upgrade	Replace radio system to comply with FCC narrow band and provide interoperability with the county	2011 2012 2011 2011	$480,000 $720.000 $100,000 $1,000,000	Cost of maintaining system and licenses. No new cost	Capital equipment bonding, State grants, FEMA grants, and Port Security Grants

Equipment Plan

New Public Safety Radio System: Compliance with FCC narrow band radio requirements for public safety radios has a significant cost. Over the two-year period of 2011 and 2012, we have budgeted $1,200,000 in capital purchases. This will provide a substantial percentage of the system replacement, but not all. We have received a 2010 fire grant of $106,000 to purchase portable radios for the entire department. We have received approval for a 2009 port grant application of $1,000,000 for communications equipment for police and fire. The grant will not be allocated until later this year.

The conversion will begin in 2011 with available funds. With our grant funding from the port grant and FEMA fire grant we do not expect to have to request additional funding from the city.   The city is regularly meeting with St Louis County to insure a smooth transition into ARMER.

Apparatus Purchasing Plan – Apparatus purchases are planned 5 years in advance. Replacement of equipment at the appropriate time is critical because fleet costs rise rapidly near the end of the equipment's life expectancy. Leasing of fire apparatus has been examined to determine the cost effectiveness.   With the current interest rates and bonding costs, bonding still remains the most effective way to finance fire apparatus.

The plan detailed in the table below will get us back on track with fire apparatus replacement program. This purchasing plan is much more aggressive than the current capital five-year plan.

2011		2012		2013		2014		2015	
No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount
7340	$850,000	7321	$850,000	7233 7333	$500,000 $500,000 $1,000,000	7349 Cars	$515,000 $80,000 $595,000	7345 7332	$520,000 $520,000 $1,040,000
4 Quint		8 Truck		Engine 2 Engine 6		Rescue 1 Cars		Engine 10 Engine 3	

Fire Department Tankers: There are increasing numbers of homes built in areas of Duluth that have limited public utilities, specifically hydrant systems. This limits water supply for fire fighting. To provide fire protection to these homes we have utilized our mutual aid agreements. This works well in outlying areas near our city limits. A tanker will provide needed water supply and can respond immediately to areas know to have water supply issues.

We have areas such as Hwy 61 and Park Point that do not have sufficient fire flow to allow new development. The long term solution to this issue is water main expansion and/or investing in fire tankers.

Engine 1 is the newest piece of apparatus in our fleet. It arrived in August 2010 and was quickly put to work. Engine 1 responds of our Headquarters Station. The apparatus is capable of pumping 1500 gallons of water per minute. In this picture, Engine 1 is providing water to fire fighters performing overhaul after the extinguishment of a fire at 7th E and Superior St.

Space Plan

Station Needs: The fire department has successfully maintained its fire stations. This is due to a combination of several factors. Fire fighters do the routine maintenance themselves as well as all the cleaning.   They take pride in maintaining the buildings they work and live in.   Our professional City Building Maintenance team makes major repairs that require specialized skills.   A well-planned proactive capital improvement program and excellent support from the Architect's office are invaluable.

The fire administration has worked to get buildings repaired and updated through the capital bonding process with noticeable success. Overall, our buildings are in good shape. We plan 5 years out for needed repairs and upgrades.

Capital Improvement	2011	2012	2013	2014	2015	Total
Fire Station 1 Masonry				$50,000		$50,000
Fire Station 1 Remodel			$250,000			$250,000
Fire Station 1,4,7 Overlay		$35,000				$35,000
Fire Station 2 Remodel/Repair	$90,500					$90,500
Fire Station 2 Roof Replacement					$250,000	$250,000
Fire Station 4 Windows	$60,000					$60,000
Fire Station 4 & 7 Brick Repair					$100,000	$100,000
Carpet Replacement		$54,000				$54,000
911 Communication System	$480,000	$720,000				$1,200,000
Furnace Replacements					$50,000	$50,000
Keyless Entry System				$100,000		$100,000
Overhead Doors		$100,000		$75,000	$120,000	$295,000
Total	**$630,500**	**$909,000**	**$250,000**	**$225,000**	**$520,000**	**$2,534,500**

New Fire Stations: As part of our long term planning, future fire station locations must be considered. The current fire station configuration reflects the city as it was over fifty years ago. Since then, there has been development in areas that has stressed our ability to achieve response standards. As development continues in rural areas of the city, fire stations may need to be moved, added, or consolidated.   The City's comprehensive plan will be a guiding document for future development in combination with the proposed fire department operational study. Failure to meet the five-minute response time in less than 90% of the calls demonstrates the need to reassess fire station locations.

VII.   Management and Organization

Management Team

The management team of the fire department consists of two supervisors and three division managers. The Fire Chief and Deputy Fire Chief are the department's only supervisory employees. The Assistant Chiefs' manage the operations division. The Fire Marshal manages the Life Safety Division. The Training Chief manages training and safety function of the department. These employees are members of the fire fighters union. At times, the perceptive of the supervisor and fire union member can be different. The lack of supervisors limits our focus to the most pressing matters. This has affected our ability to proactively plan and manage the department.

Many Issues I have concerning the management of the department is a direct result of an unacceptable span of control.   There are only two supervisors for 142 employees. In fire operations, span of control exceeds one manager for thirty-five employees. Compounding the issue, fire department employees are located in nine different fire stations with managers only at headquarters.

With only two supervisory employees, critical skills and knowledge of the fire department and city management are limited.   The supervisors are forced to wear many hats. Too often, the number of day-to-day reactive issues takes away from their ability to foster a healthy organization. This is highlighted in the business plan as a significant problem.

A critical component of the upcoming fire department operational study will be an analysis of the management structure and a evaluation of the current models efficiency. For the department to improve, we have to consider the impact of this supervisory deficiency on the organization.

The management team is highly motivated and educated with a broad range of skills. Despite the deficiency, the team works hard to prepare the department for the future through good leadership principles, professional development, and proactive succession planning.

Succession Plan

The traditional method of succession planning is to screen employees for skills that fit existing jobs that will soon be vacant. This process may no longer work in our work environment. There is a clear need to focus on developing leadership skills through succession planning rather than merely filling positions through traditional ways that tend to promote the status-quo.

Employees Eligible to Retire Today

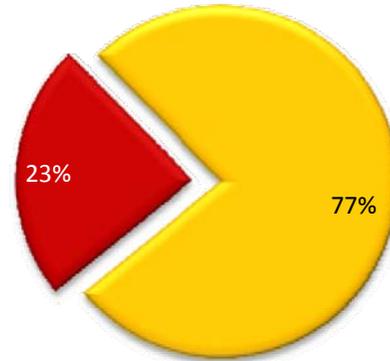■ Eligible to Retire ■ Not Eligible

23%   77%

Over the years, little time has been spent on professional development of employees not already holding a leadership position. This needs to change. More responsibility and training needs to be given to those employees that will serve in a future leadership role.

Succession planning Is important to the organization to insure a smooth transition in leadership. It also provides needed skills to be successful skills needed to be successful. To get a better understanding of challenges with succession planning I have attached three charts. The first chart and second chart both illustrate the urgency to prepare for the future today. With 23% of the department eligible for retirement today and 41% eligible to retire within five years, there will be a significant loss of experience and institutional knowledge.
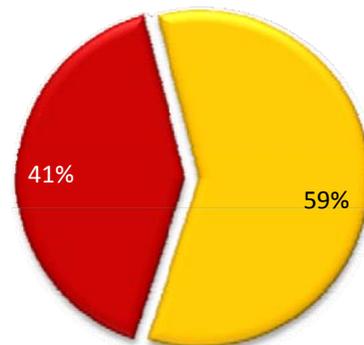
Employees Eligible to Retire in 5 Years

■ Eligible in 5 Years ■ Not Eligible

41%   59%

The final chart reinforces the need for succession planning today. It shows that 86% of our management team is eligible for retirement within 5 years. The time for mentoring and passing the organizational knowledge is now.

Typically, there have not been resources allocated for training outside the operational and safety areas. Funding support is needed to participate in educational opportunities such as though offered by our local colleges, National Fire Academy and Emergency Management Institute. This, combined with an aggressive internal mentoring program, plants the seeds to prepare us for the future.

Administrative Staff Eligible to Retire in next 5 Years

■ Eligible to Retire

14%

86%
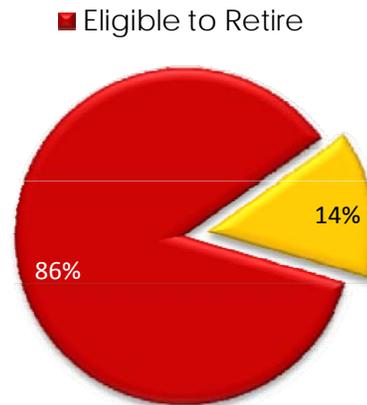
Do not Judge each day by the harvest you reap, but by the seeds you plant ~ **Robert Louis Stevenson**

Outside Professional and Advisory Support

- TriData Consultants

- Insurance Service Organization (ISO)

- Commission on Fire Accreditation International (CFAI)

- State Fire Marshal's Office

- Minnesota Department of Labor and Industry

- Minnesota State Fire Chiefs Association

- Minnesota Department of Homeland Security

- NFPA

- International Fire Chief's Association

- International Association of Fire Fighters

VIII. Appendices

- Performance Measures

- Fire District Map

- OSHA 2 in 2 out law

- FLEET Overview

- Citizen's Perspective Priorities & Performance

- Tri-Data Consultant Program Overview

- Insurance Service Organization (ISO) Program

- Commission on Fire Accreditation International (CFAI)

Performance Measures & 2011 Goals

Performance Measures & 2011 Goals	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Goal
% of the time that response to emergency events is five minutes or less	77.0%	77.2%	73.3%	79.8%	81.3%	90.0%
% of the time that NFPA standard of 4 minutes or less travel time	N/A	79.7%	78.5%	78.0%	78.7%	90.0%
% of Fire Department runs that are EMS	71.7%	64.2%	63%	54.3%	59.4%	
% of Fire Department runs that are fires	5.4%	5.4%	4.1%	2.5%	2.7%	
% of Fire Department runs that are canceled enroute	N/A	5%	6.8%	5.5%	5.8%	
% of Fire Department runs that are other Alarms	13.1%	16.1%	17.9%	32%	26.7%	
% of Fire Department runs that are false alarms	9.8%	9.5%	8.2%	5.7%	5.4%	4%
% of fires contained to room of origin	N/A	67%	68%	58%	56%	70%
% of fires contained to structure of origin	N/A	98%	98%	99%	100%	100%
Percentage of vehicle accidents requiring extrication	3%	12%	10%	13%	8%	
Number of lifting assist	190	317	403	376	374	200
# of lives lost due to fires	1	1	4	3	0	0
# of civilian injuries due to fire	5	9	14	16	6	0
Number of Structure Fires	146	158	161	170	129	100
# Structure fires in Occupied buildings	N/A	144	147	155	118	75
# Structure fires in Vacant buildings	N.A	14	14	15	11	5

Performance Measure & 2011 Goals	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Goal
% of time Station 1 is on-scene within 5 minutes	84.9%	84.3%	78.5%	86.6%	86.9%	90.0%
% of departments emergency incidents in Station 1's districts	31.4%	35.4%	34.2%	34.4%	34.5%	
% of time Station 2 is on-scene within 5 minutes	81.8%	84.2%	80.9%	84.6%	85.5%	90.0%
% of departments emergency incidents in Station 2's district	10.4%	10.2%	11.6%	10.3%	10,1%	
% of time Station 4 is on-scene within 5 minutes	70.3%	73.0%	69.1%	78.0%	78.9%	90.%
% of departments emergency incidents in Station 4's district	15.8%	13.6%	13.6%	14.2%	14.3%	
% of time Station 5 is on-scene within 5 minutes	87.8%	84.0%	87.8%	88.3%	94.7%	100%
% of departments emergency incidents in Station 5's district	1.3%	1.7%	1.6%	1.1%	1.4%	
% of time Station 6 is on-scene within 5 minutes	75.8%	74.4%	72.1%	80.6%	79.1%	90.0%
% of departments emergency incidents in Station 6's district	7.3%	7.0%	7.5%	6.7%	6.3%	
Percentage of time Station 7 is on-scene within 5 minutes	57.5%	59.1%	56.0%	60.7%	70.5%	80.0%
% of departments emergency incidents in Station 7's district	11.6%	11.3%	11.3%	11.7%	11.4%	
Percentage of time Station 8 is on-scene within 5 minutes	72.9%	74.5%	71.8%	76.1%	78.3%	90.0%
% of departments emergency incidents in Station 8's district	13.8%	12.4%	13.3%	13.6%	14.1%	
Percentage of time Station 10 is on-scene within 5 minutes	64.7%	58.7%	53%	61.5%	62.1%	75.0%
% of departments emergency incidents in Station 10's district	5.0%	4.9%	4.3%	4.9%	5.1%	
Percentage of time Station 11 is on-scene within 5 minutes	76.7%	75.5%	75.1%	79.4%	75.2%	90.0%
% of departments emergency incidents in Station 11''s district	3.5%	3.5%	2.6%	3.3%	2.8%	

Performance Measure &	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Goal
Number of Fire fighter injuries (emergency activity)	18	10	10	9	12	8
Number of fire fighter Injuries (non-emergency activity)	11	6	9	8	8	5
% of fire fighter injuries resulting in lost time	34%	31%	63%	47%	30%	25%
Number of vehicle accidents (emergency activity)	1	10	7	5	4	2
Number of vehicle accidents (non-emergency activity)	5	2	0	5	4	2
# of 1 & 2 family rental license Inspections	654	568	1213	820	518	750
# of 1 & 2 family rental license re-inspections	187	328	277	271	227	150
# of 3+ family rental license inspections	107	89	138	39	24	100
# of 3+ family rental license re-inspections	80	54	45	158	88	50
# of Solid Waste Inspections	1877	2191	1620	1423	1886	2500
# of Tenant Complaints	251	220	181	102	119	
# of operational permits inspection completed	315	328	324	490	775	750
# of Car Seats Installed	593	607	603	517	470	600
# of fire investigations conducted	71	45	44	46	50	
% of fire investigations ruled arson	46.5%	40%	34.1%	39%	20%	
# of 2ND and 5th grade students that received fire education	N/A	885	1368	1300	1200	1200
# of pre-School students that received fire education	N/A	235	220	225	245	250
# of adult education presentations	N/A	22	15	12	14	20

Performance Measures and Goals	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Goal
% of citizens that report satisfaction with the Fire Department and excellent/good	N/A	N/A	N/A	93%	90%	100%
% increase in employee job satisfaction	N/A	N/A	N/A	N/A	N/A	90%
% or workforce who receive an annual performance review	0%	0%	0%	0%	0%	100%
# of applicants for Fire Fighter Test	No Test	202	120	No Test	No Test	150
% of applicants for Fire Fighter that are women	No Test	5%	0.8%	No Test	No Test	5%
% of applicants for Fire Fighter that are from under represented population	No Test	4.0%	3.3%	No Test	No Test	5%
% of total sworn workforce that are women	7%	8%	8%	8%	8%	10%
% of total sworn workforce that are people from the underrepresented population	3%	3%	3%	4%	4%	4%
Number of firefighters per 1000 residents	1.43	1.49	1.49	1.49	1.49	1.49
Number of firefighters Per Sq Mile	1.85	1.85	1.85	1.85	1.85	1.85

Note: Several of the tracked areas changed significantly stating in 2009. This is due to how the calls were classified. A significant drop or increase is likely due to the classification change and not an actual change in captured data.
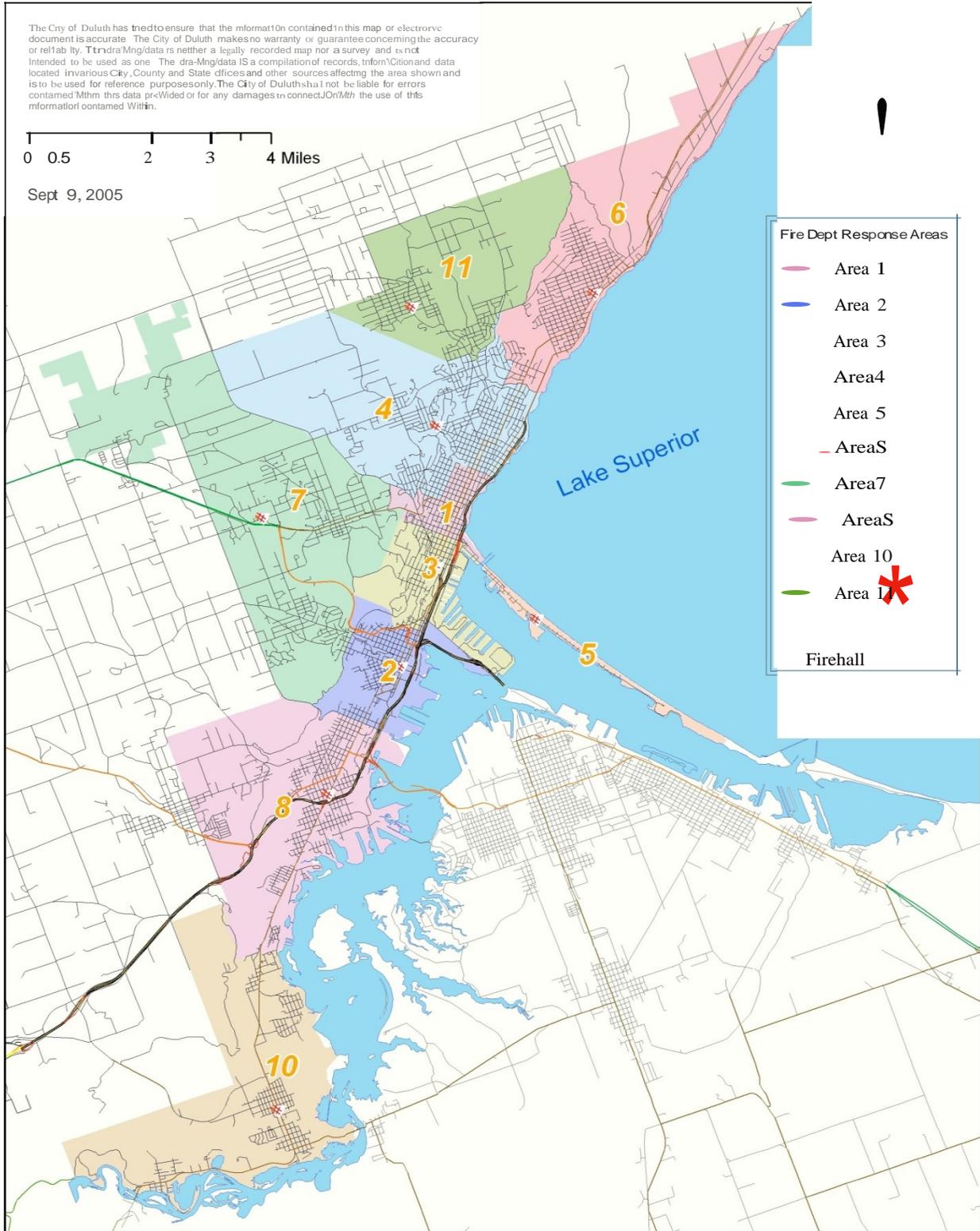
Not everything that counts can be counted and not everything that can be counted counts. - Albert Einstein

Fire Districts and Station Locations

0   0.5   2   3   4 Miles

Sept 9, 2005

Lake Superior

6

11

4

7

1

3

2

5

8

10

Fire Dept Response Areas

— Area 1

— Area 2

Area 3

Area4

Area 5

— AreaS

— Area7

— AreaS

Area 10

— Area 11

Firehall

cityfiremapA.mxd

OSHA 1910.134(g)(4) - Two In Two Out Rule

U. S. Department of Labor
Occupational Safety and Health Standards

Respiratory Protection Standard

1910.134(g)(4) Procedures for interior structural firefighting.

In addition to the requirements set forth under paragraph (g)(3), in interior structural fires, the employer shall ensure that:

> 1910.134(g)(4)(i) At least two employees enter the IDLH* atmosphere and remain in visual or voice contact with one another at all times;
>
> 1910.134(g)(4)(ii) At least two employees are located outside the IDLH* atmosphere; and
>
> 1910.134(g)(4)(iii) All employees engaged in interior structural firefighting use SCBAs.** Notes:

1. One of the two individuals located outside the IDLH atmosphere may be assigned to an additional role, such as incident commander in charge of the emergency or safety officer, so long as this individual is able to perform assistance or rescue activities without jeopardizing the safety or health of any firefighter working at the incident.

2. Nothing in this section is meant to preclude firefighters from performing emergency rescue activities before an entire team has assembled.

* IDLH = Immediately Dangerous to Life or Health
** SCBA = Self Contained Breathing Apparatus

This OSHA regulation applies to the State of Minnesota. The entire rule can be seen at:
http://www.osha.gov/pls/oshaweb/owadisp.show_document?p_id=12716&p_table=standards

Fire Apparatus Age

Fleet ID#	Dept	Make	Model	Year	Apparatus Location	Station	Age
7303	150	INTERNATIONAL	FMC	1981	Fire Engine 5	Station 5	30 Yrs
7314	150	DUPLEX	LTI-L-111-86	1986	Fire Quint (R)	Station 4	25 Yrs
7318	150	FORD	L-9000	1991	Fire Engine 3 (R)	Station 1	20 Yrs
7321	150	PIERCE	ARROW	1995	Fire Truck 8	Station 8	16 Yrs
7322	150	FREIGHTLINER	FL80	1996	Fire Engine 2	Station 2	15 Yrs
7323	150	FREIGHTLINER	FL80	1996	Fire Engine1 (R)	Station 1	15 Yrs
7332	150	FREIGHTLINER	FL70	1996	Fire Engine 10	Station 10	15 Yrs
7333	150	FREIGHTLINER	FL70	1996	Fire Engine 6	Station 6	15 Yrs
7334	150	PIERCE	DASH	1998	1 Tower	Station 1	13 yrs
7340	150	AMLAFRANCE	E134064S	2000	Fire Quint 4	Station 4	11 Yrs
7344	150	FREIGHTLINER	FL80	2001	Fire Engine 11	Station 11	10 Yrs
7345	150	AMLAFRANCE	METRO	2001	Fire Engine 3	Station 1	10 Yrs
7349	150	AMLAFRANCE	METRO	2002	Rescue 1	Station 1	9 Yrs
7354	150	FREIGHTLINER	MM1540425	2006	Fire Engine 7	Station 7	5 Yrs
7358	150	FREIGHTLINER	M2	2007	Fire Engine 8	Station 8	4 Yrs
	150	FREIGHTLINER	M2	2010	Fire Engine 1	Station 1	1 Yr

Citizen's Perspective Priorities & Performance

The Zenith Research group conducted focus groups in 2011 to look at the public perspective of city services by importance, performance and information. Fire protection emergency response rated first in performance and 2nd in importance only behind drinking water.

Panel Service Ratings: Combined

	Service Area	Type of Services	Importance	Performance	Information
Police Department / Public Administration	Police Services	Ensure the safety and security of citizens through crime prevention, investigation and reduction	3.73	3.15	3.08
	Animal Control	Protect public safety and animal care through sheltering, education and animal law enforcement	**1.98**	2.28	1.83
	Graffiti Removal	Remove graffiti from homes, businesses and other structures; encourage citizens to report, prevent and remove graffiti	2.23	2.45	**1.70**
Fire Department	Fire Protection Emergency Response	Protect the lives and property of citizens from fire hazards and other emergency conditions through quick response	3.75	**3.53**	2.85
	Unkempt Properties	Promote neighborhood safety through inspection and citation of problem properties	2.68	2.38	2.20
	Housing Inspection		2.73	2.23	2.33
Public Works / Public Administration	Quality Drinking Water	Repair and maintain city water filtration and delivery system to ensure the sufficiency, quality and security of the city's water supply	**3.90**	3.45	2.90
	Sewer Services	Repair and maintain sewer collection systems and treat wastewater and sewage to maintain and enhance water quality in the water sources around the city	3.65	2.85	2.80
	Street/Alley Repairs	Inspect, maintain and repair all transportation infrastructure, including traffic signal, parking and street lighting systems	3.35	2.18	2.55
Public Administration	Street Cleaning	Maintain street and sidewalk cleanliness through clearing dirt, snow and ice from city streets, collecting and disposing of refuse	2.83	2.98	2.00
	Parks & Recreation	Develop and maintain parks and trails facilities and supporting recreational services in the community	3.05	2.53	2.93
	Library Services	Offer free access to books, periodicals, electronic resources and non-print materials, reference services and internet access to adults and children	3.03	2.53	2.65
Business / Community Development	Jobs Economic Development	Generates jobs, helps retain existing jobs, and stimulates industrial and commercial development in the city	3.53	**2.10**	**3.18**
	Neighborhood Funding	Encourage and support neighborhood based initiatives	2.73	2.25	2.55
	Affordable Housing Development	Optimize access to affordable housing to low and moderate income families in public and private housing developments	2.55	2.33	2.45
City	Planning & Zoning	Guides city land use and development, including zoning and subdivision regulations	3.13	2.70	2.85

BOLD = HIGHEST
BOLD = LOWEST

Zenith Research Group

System Planning Corporation - TriData Consultants

SPC's TriData division is one of the nation's leading public safety consulting firms. We specialize in research, analyses, and management studies in fire protection and emergency medical services, prevention and preparedness, and homeland security. Our array of fire and emergency research extends across the U.S., supporting the federal government; state, municipal, and local governments; and the private sector.

TriData develops practical indicators to measure the performance of government services, and provides fire protection expertise to a number of foreign governments and international fire service organizations.   Philip Schaenman, president of TriData, is a nationally recognized expert in emergency preparedness and response. Our staff members use their technical expertise and experiences in the field to provide comprehensive analysis of emergency-related issues. Many have served as first responders, including chief officers.

Local Government Studies

We provide consulting and research on public safety and management for local governments and the public sector. We are recognized leaders in the areas of fire department operations, emergency medical services, hazardous materials response, and emergency management and contingency planning. We specialize in analyzing data to facilitate strategic planning decisions.

We have performed comprehensive public safety studies for municipalities ranging from 8,000 to 3 million in population. We have performed more than 130 studies of local fire departments, of which about 35 were large metropolitan fire departments (e.g., Chicago, Seattle, Houston, and Jacksonville).   Implementation of TriData recommendations has resulted in reduced response times, improved ISO ratings, optimized allocation of manpower and leadership resources, and adoption of National Fire Protection Association standards, resulting in cost savings, and improvements in effectiveness.

Data Analysis

Our primary focus is on research and data analyses of fire and emergency services. We support the U.S. Fire Administration (USFA), by analyzing information in the world's largest fire database—the National Fire Incident Reporting System (NFIRS). We have authored the last six editions of *Fire in the United States*, the definitive report on national fire statistics and fire trends. We have written topical research reports on diverse fire-related problems and issues (e.g., candle fires, smoking fires, seasonal fires, fires to high-risk groups), and performed comprehensive research on a variety of subjects such as a 10-year study of firefighter fatalities in the U.S., and the economic cost of fires and fire injuries.

Our data analysis has resulted in a wide range of reports on public fire education programs, volunteer firefighter issues, product safety issues, juvenile-set fires, smoke alarm usage in urban lower socioeconomic areas, and fire deaths in U.S. hotels and motels. For the National Institute for Occupational Safety and Health (NIOSH), we produced seminal research on the status, knowledge gaps, and issues pertaining to firefighter radio communications systems. For the National Institute of Standards and Technology, we authored *The Economic Consequences of Firefighter Injuries and Their Prevention*.

Public Protection

Our goal is to enhance the readiness of state and local public safety agencies to handle both traditional and emerging threats, including acts of terrorism, mass casualty incidents, natural disasters, cyber crime, and threats to infrastructure security.

We focus on building strong, successful partnerships among all levels of government to protect the American public from natural and man-made threats. We have assessed major incidents to offer lessons learned, and developed strategic task forces to improve public safety and disaster response. Experience in this field is invaluable in studies dealing with unified command, technology insertion, and communications interoperability. Our combined staff experience in both the public and the private sectors allows us to provide systems architecture for civilian agency and DoD interface.

We also provide risk assessment and mitigation planning for a wide range of clients as well as homeland security policy development.

INSURANCE SERVICES OFFICE, INC
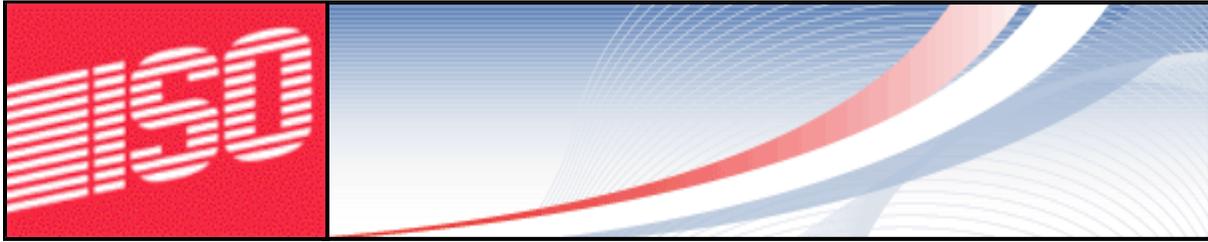
About ISO

ISO is a leading source of information about property/casualty insurance risk. For a broad spectrum of commercial and personal lines of insurance, we provide statistical, actuarial, underwriting, and claims data; policy language; information about specific locations; fraud-identification tools; consulting services; and information for marketing, loss control, and premium audit.

ISO is an advisory organization, and insurers may use our information, modify it, or not use it, as they see fit.   ISO is a member of the Verisk Analytics Family of Companies.

Information about individual communities and properties
ISO collects information useful in many aspects of insurance underwriting. That information includes evaluations of public fire protection, flood risk, and the adoption and enforcement of building codes in individual communities. Information on municipal services helps the communities with their efforts to manage and mitigate their risk.

We perform the evaluations as a service to the insurance industry and do not charge a fee to the communities.

Through the Public Protection Classification (PPC™) program, ISO evaluates municipal fire-protection efforts in communities throughout the United States. A community's investment in fire mitigation is a proven and reliable predictor of future fire losses. So insurance companies use PPC information to help establish fair premiums for fire insurance — generally offering lower premiums in communities with better protection. Many communities use the PPC as a benchmark for measuring the effectiveness of their fire-protection services. The PPC program is also a tool that helps communities plan for, budget, and justify improvements.

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Commission on Fire Accreditation International (CFAI)

About Accreditation & CFAI

Local government executives face increasing pressure to "do more with less" and justify their expenditures by demonstrating a direct link to improved or expanded services. Particularly for emergency services, local officials need criteria to assess professional performance and efficiency. The CFAI accreditation process provides a well-defined, internationally recognized benchmark system to measure the quality of fire and emergency services.

CFAI Mission

The Commission on Fire Accreditation International (CFAI) is committed to assisting and improving fire and emergency service agencies around the world in achieving organizational and professional excellence through its strategic self-assessment model and accreditation process to provide continuous quality improvement and enhancement of service delivery to the community and the world at large.

CFAI Program

The CFAI program is a comprehensive self-assessment and evaluation model that enables fire and emergency service organizations to examine past, current, and future service levels and performance and compare them to industry best practices. This process leads to improved service delivery by helping fire departments:

- Determine community risk and safety needs.
- Evaluate the performance of the department.
- Establish a method for achieving continuous organizational improvement.

A task force of highly qualified and dedicated chief fire officers, trainers, city/county administrators, and academic professionals worked together to create the self-assessment model—the basis for CFAI accreditation. The goals that guide the development process emphasize that the system must be:

- Applicable across the broad spectrum of the fire service industry
- Challenging
- Contemporary, not revolutionary
- Able to evolve over time
- Achievable!
- Useful for a comprehensive organizational evaluation
- A practical management tool for fire and EMS agencies

BUSINESS PLAN –
POLICE DEPARTMENT

Police

Business Plan

City of Duluth

Police Department

2011-2012 Business Plan
Prepared by: Chief Gordon Ramsay
Submitted: March 31, 2011

I.   Executive Summary

The Department focuses on achieving and sustaining excellent customer service by demanding responsibility and accountability from personnel for successful problem solving outcomes. The Department strives to develop new community partnerships daily and enjoys tremendous community support. The Department focuses its efforts on our mission statement. *The Mission of the Duluth Police Department is to provide the highest level of service through partnerships and problem solving in a professional, ethical, and timely manner.*

The motto of the department is *"Innovation in Policing."*

The Duluth Police Department has a young, ambitious, energetic workforce that is educated and skilled.

The Department continues to look to technology to maximize efficiencies.

- ❖ Field-based reporting, electronic storage of documents, electronic transmission of citations and criminal complaints will save the Department time.
- ❖ 20 Surveillance cameras have been installed at the beginning of 2011. We will continue to aggressively pursue our goal of dramatically increasing the number and coverage of these cameras over the next five years.
- ❖ Now that we have video cameras in most patrol vehicles, we need to explore what is the next solution for capturing video and audio of our response.
- ❖ The Early Warning System tracks potential problem employees by monitoring, commendations, complaints, use of force and sick time to identify and protect employees at risk and addresses behavior or need for other services. This will help keep employees healthy and limit liability for the City.

The Department maintains safe neighborhoods despite significant increases in demand for calls for service. In 1968, the Department had 142 officers who answered 35,000 calls for service. In 2010 the Department answered approximately 82,313 calls for service with 144 officers. With the demand for service met by nearly the same number of staff, the Department has reached capacity in delivering police services.

The Department has been very proficient and successful resolving many high profile crimes. Excellent patrol response and skilled and devoted investigative and support staff have gathered the necessary evidence at scenes to lead to the successful arrest and prosecution of those offenders who cause community concern. These arrests allow citizens peace of mind and inspire community confidence in the Department.

II.   WHO ARE WE?

Mission statement

The Mission of the Duluth Police Department is to provide the highest level of service through partnerships and problem solving in a professional, ethical, and timely manner.

Values

- **Integrity** – The department employs a character based hiring process as a foundation for future success. We continue this philosophy throughout our training, coaching and mentoring.

- **Respect** - As a foundation of our agency, we subscribe to an attitude of respect for and the protection of the value, dignity, and rights of those we serve.

- **Dedication** - We are proactive members of our organization and community. We are self-directed and self-motivated. We identify problems and develop and implement solutions to improve quality of life.

- **Honesty** - We value candor, honesty, and ethical behavior in the members of our Department. We are committed to uphold our positions of trust by maintaining the highest ethical standards as set forth in the Law Enforcement Code of Ethics and the Standards of Conduct for Minnesota Peace Officers.

- **Professionalism** – We clearly define our goals and mission and reinforce it through performance management and high expectations.

- **Ownership** – The police department adheres to the city's guiding principle of own it, solve it, take pride.

Business/Program Structure

Department history

In 1870 the state legislature granted a charter to the city of Duluth. As soon as the session adjourned an election was held in Duluth. Col. J.B. Culver was elected mayor and one of his first official acts was to appoint Robert S. D. Bruce, Chief of Police on April 21, 1870. With this appointment, the Duluth Police Department was formed.
In 1876, the state legislature revoked the Duluth City Charter due to financial difficulty. The city became a village and the Duluth Police Department was reduced to a single Marshall.

On January 1, 1886, M. Sutphin was elected Mayor. He appointed Patrick Doran as his "Chief of Police" apparently feeling confident in what would happen in the next legislative session; because in 1887 Duluth was once again "cloaked with the power of a city" and the Marshall became the Chief of Police for "real". A "real" jail was also built that year. From this time on, the department continued to grow until it became the outstanding department it is today.

Organization of the Department

The department is divided into the Patrol Division, managed by Deputy Chief Mike Tusken and the Investigative/Administrative Division, managed by Deputy Chief Robin Roeser.

<u>Patrol Division</u>

The Patrol Division is divided into two geographic patrol areas. Each area is under the command of a lieutenant. The Patrol Division consists of the following units;

- Patrol shifts
- Community Policing Teams
- K-9 Unit
- Traffic Enforcement

<u>Investigative / Administrative Division</u>

The Investigative/Administrative Division contains all investigative units and administrative functions. There are currently four lieutenants assigned to this division, which consists of the following units;

- Crime Scene Investigation Unit
- Violent Crimes Unit
- Property/Financial Crimes Unit
- Crash Investigations Unit
- Lake Superior Drug and Gang Task Force
- Personnel, Training & Licensing Unit
- Juvenile Services Unit / School Resource Officers

- Records Support Unit
- Animal Shelter/Control
- Sex Crimes, Abuse, Neglect and Domestic Violence Unit
- Other division responsibilities include internal investigations, fleet, MIS, facilities, and grant management
- Forensic Computer Examiner

Each unit consists of a sergeant and several investigators. The department operates out of two main buildings.

- Police headquarters is located in City Hall, 411 West 1st Street and contains administrative and investigative offices as well as East Patrol Area operations.

- The West Duluth building is located at 5830 Grand Avenue (behind the Library and Fire Hall) and houses West Patrol Area operations, investigative personnel, and the emergency operations center. There are also neighborhood offices where many of our community police officers work.

Key Operational Functions
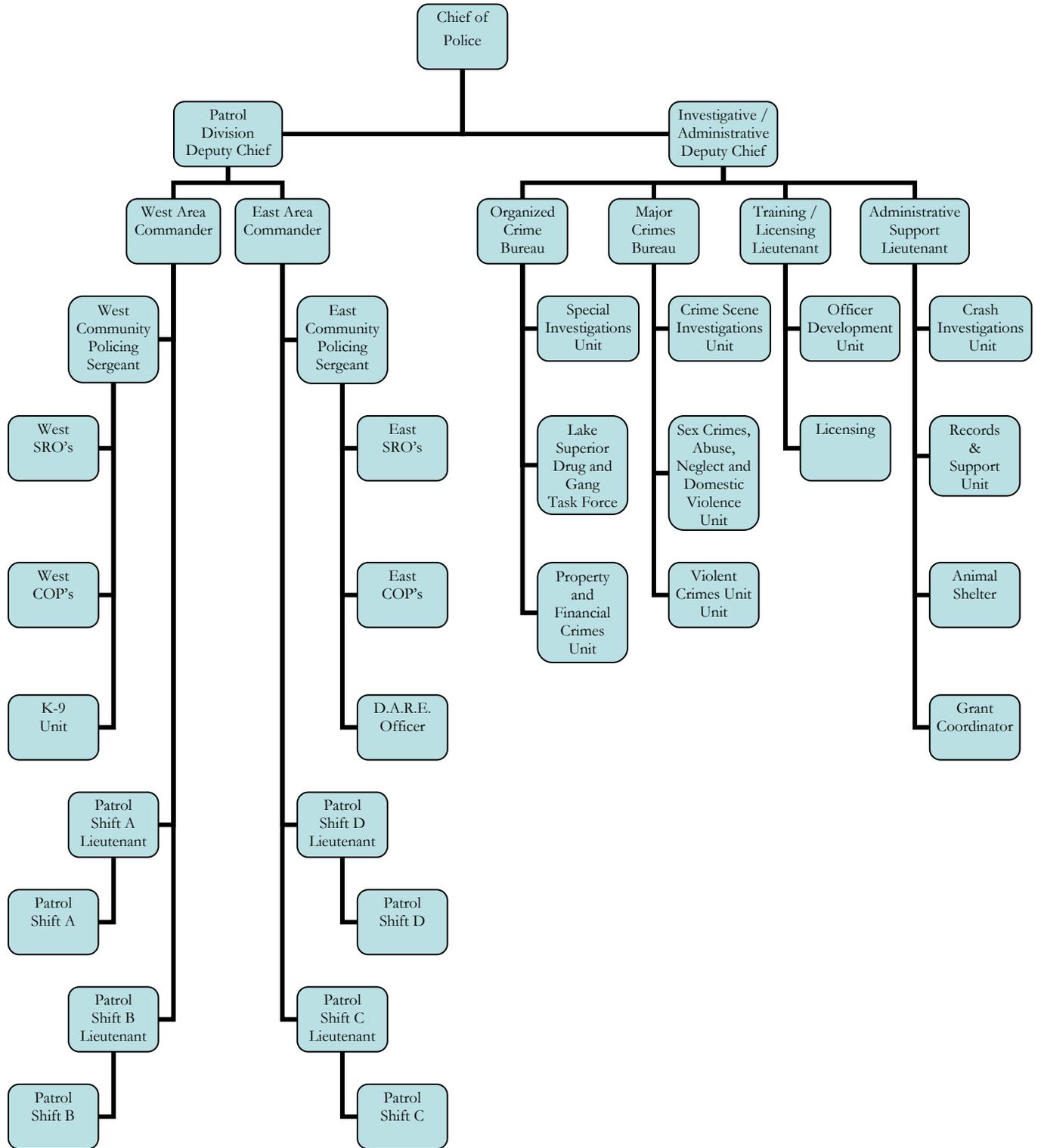
- ❖ <u>Administrative / Investigative Division</u>
  - ➢ Investigate crimes against persons and crimes against property, and see to the daily operation of the department. Investigations include the Major Crime Bureau (including robbery, homicide, assault, sexual assault and crime scene processing) and the Organized Crime Bureau (including , narcotics, theft, forgery/fraud and internet scams), The Administrative Division includes Personnel, Training and Licensing, and Crash Investigations.

❖ <u>Patrol Division</u>

➢ Protection of life and property through 911 response; enforcement of local, state and federal laws; emergency preparedness planning and operations; and identification and enforcement of quality of life crimes
➢ Enhance safety and livability in Duluth, through police-community partnerships
➢ Focused Law Enforcement activities using Patrol Officers, K-9 officers and Community Oriented Police Officers
➢ Responding to calls for service
➢ Proactive Law Enforcement activity by Patrol Officers

Organizational Chart

```
                                    Chief of
                                    Police
                    ┌──────────────────┴──────────────────┐
              Patrol                              Investigative /
              Division                            Administrative
              Deputy Chief                        Deputy Chief
          ┌───────┴───────┐           ┌────────┬────────┬────────┐
      West Area        East Area   Organized  Major   Training /  Administrative
      Commander        Commander   Crime      Crimes  Licensing   Support
                                   Bureau     Bureau  Lieutenant  Lieutenant
```

- **Chief of Police**
  - **Patrol Division Deputy Chief**
    - **West Area Commander**
      - West Community Policing Sergeant
      - West SRO's
      - West COP's
      - K-9 Unit
      - Patrol Shift A Lieutenant
        - Patrol Shift A
      - Patrol Shift B Lieutenant
        - Patrol Shift B
    - **East Area Commander**
      - East Community Policing Sergeant
      - East SRO's
      - East COP's
      - D.A.R.E. Officer
      - Patrol Shift D Lieutenant
        - Patrol Shift D
      - Patrol Shift C Lieutenant
        - Patrol Shift C
  - **Investigative / Administrative Deputy Chief**
    - **Organized Crime Bureau**
      - Special Investigations Unit
      - Lake Superior Drug and Gang Task Force
      - Property and Financial Crimes Unit
    - **Major Crimes Bureau**
      - Crime Scene Investigations Unit
      - Sex Crimes, Abuse, Neglect and Domestic Violence Unit
      - Violent Crimes Unit Unit
    - **Training / Licensing Lieutenant**
      - Officer Development Unit
      - Licensing
    - **Administrative Support Lieutenant**
      - Crash Investigations Unit
      - Records & Support Unit
      - Animal Shelter
      - Grant Coordinator
```

**Significant Trends and Changes include:**

1. Poor economic conditions impact our ability to hire needed officers. This is further hindered by reduced grant opportunities and funding;

2. Reduction of crime in City for past 2 years can only be sustained by continual innovation and creative problem solving;

3. New Training facility will allow best training opportunities for our staff at reduced costs resulting in a more professional, well-trained staff;

4. Move to new building;

5. Staffing levels, retirements and military leave etc.;

6. CompStat;

7. Enhancing existing partnerships within City Hall; and

8. Technological advances such as LPR, AVL, 800MHz.

## SWOT Analysis

| Internal Strengths | Internal Weaknesses |
| --- | --- |
| <ul><li>Committed, dedicated, and professional staff both sworn and civilian</li><li>Strong partnerships (P.A.V.S.A., D.A.I.P., Safe Haven, City & County Attorney's, ISD 709 etc.)</li><li>Clear mission statement to guide the Department</li><li>Improved internal communication (CompStat, Patrol Log, Case Activity logs)</li><li>Character based hiring and training</li><li>Improved succession planning for personnel (EDA's, Training and Mentoring)</li><li>Increased accountability, dedication, integrity and professionalism</li><li>Continued commitment to enhanced technological upgrades for better efficiency and security</li><li>Excellent community support with improved communication (Public Information Officer)</li><li>CIT trained staff</li></ul> | <ul><li>Inability to reach authorized staffing levels due in part to lengthy hiring process and inability to hire for projected vacancies</li><li>Difficulty in hiring and promoting qualified personnel (limited control of the hiring process, civil service restrictions)</li><li>Inexperienced FTO base (many FTO's have only a few years of experience)</li><li>Limited overtime reduces training opportunities</li><li>Records staffing has increased slightly (15 in 1984 to 18 in 2010) but, call load has doubled (38,326 in 1984 to 82,313 in 2010.)</li><li>Poor system integration (CAD, Shield, BEAST, Field Based Reporting, etc)</li><li>Redundant data entry</li><li>Budget does not support operations for adequate project overtime, training or equipment.</li><li>Reduction in funding (Grants down, increased percentage of budget allocated to staff costs)</li></ul> |
| External Opportunities | External Threats |
| <ul><li>New police headquarters and regional training center with an opportunity to utilize the new Police Headquarters</li><li>Shared/consolidated services with St. Louis County (C.S.I., crime lab, evidence storage, records)</li><li>Increase and improve partnerships with federal state and local law enforcement</li><li>Increased citizen involvement through advisory board</li><li>Strong community support to allow the Department to increase funding, staffing and upgrade facilities</li><li>CompStat continues to evolve</li><li>Leveraging other community partners/resources private and public, non-profit for greater problem solving</li><li>Technological advances available to aid in operations</li><li>Increased use of volunteers (Citizen's Patrol, Police Reserve)</li></ul> | <ul><li>Budget limitations set us up for failure to staff, train or provide the level of service we are committed to providing</li><li>Staffing has not kept pace with increased work load (140 officers average in the 60's, 70's and 80's and 144 officers in 2010) call load has doubled during this period.</li><li>The need to compete for other city resources (MIS, facilities, snowplowing) sometimes stalls our priorities and leaves staff frustrated</li><li>Difficulty in maintaining progress with succession planning and leadership development</li><li>Increased dependence and declining control over resources</li><li>Decreased funding for partner agencies</li><li>Increased expectations from the public to provide non-law enforcement services</li></ul> |

# III.    OPERATIONS

## Revenues

Department revenue is separated into three primary categories; Administrative, Grants and Other sources.

- Administrative revenues consist of POST training, State Insurance, Animal Shelter fees, ISD 709, Housing, Pawnbroker transaction fees, false alarm fees, extra duty and inter-fund transfers (Salaries & Wages).

- Grant funding is derived from JAG, OVW, LSDTF, MN Auto Theft, Local Law Enforcement

- Other Sources includes Special Accounts and Special Projects revenues. These revenues are obtained through programs such as DWI forfeitures, Auctions, Forfeited Funds, Animal Shelter fees and donations to the department.

**Revenue Changes:**

| | 2011 | 2010 | 2009 | Reimbursements from: |
|---|---|---|---|---|
| Admin | $2,344,000 | $2,287,018 | $2,796,164 | Post training, State Ins, Animal Shelter fees, ISD 709, Housing, Pawnbroker trans, False alarm fees, extra duty, interfund transfers (salaries & wages) |
| Grants | $1,181,256 | $2,125,217 | $1,643,979 | JAG, OVW, LSDTF, MN Auto Theft, Pilot Enforcement Program |
| Other | $217,422 | $274,457 | $205,481 | DWI forfeiture, Auction, Forfeited Funds, Animal Shelter fees and donations |
| | $3,742,678 | $4,686,692 | $4,645,624 | |



# Personnel

The department has 144 sworn police officers and 38 civilian staff.

# Key Expenses

Salaries and wages comprise 89 percent of the budget, while another 4 percent will be committed to the overtime budget. The remaining 7 percent is dedicated to fleet service charges, motor fuel, general supplies and other services & charges.

2011 Police Budget

89% Salaries & Benefits

4% Overtime & other wages

1% Supplies

1% Motor Fuels

3% Other services & charges

2% Fleet Services charges

|  | 2011 | 2010 | 2009 |
|---|---|---|---|
| Salaries & Benefits | $ 15,599,900 | $ 15,806,994 | $ 15,671,106 |
| Overtime & other wages | $ 650,000 | $ 842,534 | $ 640,418 |
| Supplies | $ 174,500 | $ 143,149 | $ 149,795 |
| Motor Fuels | $ 280,000 | $ 266,531 | $ 212,961 |
| Other services & charges | $ 479,200 | $ 432,121 | $ 462,895 |
| Fleet Services | $ 375,000 | $ 316,030 | $ 354,781 |
|  | $ 17,558,600 | $ 17,807,359 | $ 17,491,956 |

## Location & Facility

Our main headquarters is located in city hall with a west station at 5830 Grand Avenue. In February 2012, our main headquarters will be moving to a new facility at 2030 Arlington Avenue.

We have neighborhood sub-stations throughout the city. The transit center sub-station at 214 W. Superior Street is staffed Monday through Friday during business hours. The Lincoln Park sub-station, located at 2012 W. Superior Street is staffed by volunteers at various times of the day and week.

## Legal issues

Due to the inherent dangers and contentious nature of policing, the police department is regularly confronted with legal issues. We work closely with City Attorney's, County Attorney's, the Minnesota Attorney General's Office and many other legal entities. The Minnesota POST Board regulates our licensed personnel and 100% of our employees are union members.

## Key Suppliers

The majority of department costs are reasonably stable from year to year. Fuel prices continue to fluctuate due to external influences. We make every effort to reduce fuel costs by purchasing more fuel-efficient vehicles and limiting run time for vehicles. In the near future, we will begin using Automated Vehicle Locator (AVL) technology to dispatch the squads closest to calls, rather than dispatching by district assignment. This will help in reducing fuel costs even further.

We have been successful in reducing our fleet service costs by seeking alternative service providers and purchasing equipment through outside sources.

| Supplier | Service / Product | 2011 | 2010 | 2009 |
|---|---|---|---|---|
| **St. Louis County** | Shield UF Access | $ 66,975 | $66,975 | $66,975 |
| | eMerts Suite - Ticket Writer | $14,232 | $14,232 | $14,232 |
| | Records Mgmt Svs (RMS) | $2,880 | $2,880 | $2,880 |
| | MDC - Nemisis - In-Car Connect | $23,400 | $23,400 | $23,400 |
| | Port Fee Connection | $1,920 | $1,920 | $1,920 |
| | Antenna Site ( increase $250 per yr) | $8,000 | $7,750 | $7,500 |
| | Sub-Total | $117,407 | $117,157 | $116,907 |
| | | | | |
| **E/S Support Service** | Shield Support | $17,328 | $17,328 | $17,328 |
| | | | | |
| **MN Dept of Public Safety** | Fingerprint | $17,300 | $17,300 | $17,300 |
| | | | | |

| | | | | | |
|---|---|---|---|---|---|
| **ICO** | Fuel | | $280,000 | $266,531 | $212,961 |
| | | | | | |
| **Office Max/ Innovative** | Office Supplies | | $24,000 | $16,485 | $19,380 |
| | | | | | |
| **Uniforms Unlimited** | Uniforms | | $40,000 | $48,080 | $49,692 |
| | | | | | |
| **Phones** | Sprint/ AT&T | | $65,000 | $93,661 | $71,990 |
| | | | | | |
| **Fleet Services** | Parts & Labor | | $304,512 | $316,030 | $354,781 |
| | | | | | |
| **Police Training/Travel** | | | $90,000 | $71,216 | $87,393 |
| | | | | | |
| **Ammunition** | | | $40,000 | $35,700 | $25,444 |
| | | | | | |
| **Xerox** | Lease | | $27,640 | $27,747 | $28,648 |

# Capital Expenditures

| | **2011** | **2012** | **2013** | **2014** | **2015** | |
|---|---|---|---|---|---|---|
| Police Vehicles | $200,000 | $600,000 | $550,000 | $575,000 | $750,000 | |
| License Plate Readers | $        - | $80,000 | $80,000 | $80,000 | $80,000 | Four each yr at $20,000 each x 5 |
| Cameras Across City | $        - | $35,000 | $35,000 | $35,000 | $35,000 | We have 20, goal is 80 x $2000 each |
| Handguns/Taser /Rifles/Shotguns | $        - | $20,000 | $20,000 | $20,000 | $20,000 | 5 hand guns per year @$550 each 5 Taser per year @$1100 each 5 rifle per year until every office has new one @ $1100 5 shotguns per year @ $500 |
| Total | $200,000 | $735,000 | $685,000 | $710,000 | $885,000 | |

# IV. WHAT DO WE WANT TO ACHIEVE/WHAT DO WE WANT TO BECOME?

## Vision

The Duluth Police Department strives to provide quality, consistent, impartial police services to the diverse population and visitors to the city; build communities where all people feel safe and trust the City's public safety professionals and systems; deliver consistently high quality city services at a good value to our taxpayers and provide a safe environment in which to live, work, and visit.

## Five-Year Goals & Objectives

| Goal | Objective | Tactics | Measurement |
|---|---|---|---|
| Staffing | Maintain & increase staffing levels | Pursue grant funding, engage community and politicians | Number of full time employees |
| | Increase volunteers | Develop program to utilize volunteers as needs arise | Volunteers used on a regular basis by the end of 2011 |
| | Hire Technology Manager | Demonstrate need, Assemble Job Description, Hire Someone | Technology Manager hired by the summer of 2012 |
| Technological advances | Add 100 cameras by the end of 2015 | Identify primary areas of where cameras are needed | 20 Cameras added per year until the end of 2015 |
| | Automated License Plate Readers in all primary squads by 2015 | Utilize fleet budget and or grants to purchase ALPR units | 20 units in place by 2015 |
| | Replace I-Cop with more mobile recording technology | Research and evaluate appropriate equipment | All patrol officers outfitted with recording device by the end of 2015 |
| Regional Training Center | Build revenue | Solicit partners to bring in professional training | Regular training is scheduled and fees are collected from outside agencies |
| | Increase training opportunities | Utilize local subject matter experts to expand training opportunities for DPD personnel | SME's identified, regular training scheduled, expenses reduced |

# V.    HOW ARE WE GOING TO GET THERE?

## Major Issues and Recommended Solutions

❖ <u>Issue</u>

*Understaffing*
The Police Department's primary issue to be resolved is understaffing. We are continually faced with ever-increasing calls for service, increasing citizen and community demands/expectations and homeland security issues. Current staffing levels for both sworn officers and support staff do not allow the department to provide the level of service the community has come to expect.

➢ <u>Solution</u>

*Retain new hires*
Beginning in 2009, the department began a new philosophy in hiring, training and retaining new officers. The department instituted a new Field Training Program and started the police department's first ever Police Academy, a ten week program designed to give recruits the tools they need to succeed in the FTO program and as police officers in general. While the program is still being evaluated, it appears to be a success.

*Expand volunteer programs*
The DPD will take steps to expand its citizen volunteer program. Citizen volunteer programs allow residents to provide support services to the police department, most of which could not be carried out due to staffing levels. It is anticipated that the DPD citizen volunteers will assist through duties such as supply maintenance, phone calls to victims, filing, mail packets, and a host of other services. Once fully implemented, we believe citizen volunteers will be of great benefit in relieving support staff on many of the time consuming tasks that keep them from their primary duties.

❖ <u>Issue</u>

*Shared Services and Partnerships* – The police department currently shares a number of services with St. Louis County. In early 2012, we will move to a joint law enforcement center and will share space and personnel as well. Issues that may arise have been identified as:

- Staff with different contracts may have different terms and conditions, which can result in animosity

- Different department policies and operating procedures may result in confusion amongst staff members and create redundancies and/or loss of information

- Building design may create communication issues with staff

➢ Solution

- Develop staff communications strategy to include representatives from each work group. This includes managing everyday relations and fostering new relationships.

- Ensure that "the little things" are taken care of quickly and efficiently to ensure they do not become larger problems

- Explore flexible work schedules to achieve best use of staff and effect savings

- Regularly evaluate joint services to ensure synchronization amongst work groups and prevent redundancies and/or loss of information

❖ Issue

*Technology* – technological advances continue to outpace the department's ability to maintain current systems and supply new technology in order to police effectively and efficiently in the 21st century.

➢ Solution

*Technology Manager*
The department will hire a technology manager for the department by the summer of 2012. The technology manager's responsibility will be to evaluate our current technology, explore new technology and monitor emerging technology. In this way, not only can we keep pace with technological advances, we can be at the forefront of advances in law enforcement technology.

# VI.     WHAT RESOURCES ARE WE GOING TO USE?

## Finance Plan

**Budget Comparison**



## Workforce Plan

*Recruiting* – The department actively seeks out qualified candidates from colleges and universities across the state. Officers regularly attend job fairs and public safety expos to promote the department and attract first-rate candidates. The department will further explore promoting the department through modern technology, such as YouTube, Twitter, etc.

*Hiring and Retention* – The department will continue to evaluate our hiring and training practices for new employees in order to attract and retain the most qualified candidates.

## Technology Plan

*Alternative recording technology* - The department is currently exploring the use of alternative recording technology such as personal body cameras for patrol officers. This type of technology is cheaper than I-COP cameras and provides better coverage of events since they are with the officer wherever they go.

*Field-Based Reporting System* – The department is in the process of improving Field Based Reporting systems that have been installed in the squad cars. Field Based Reporting allows for: more efficient and timely report submission from the field; record/data entry time savings; more efficient record system and more staff time available for pressing tasks to name a few.

*Controlled Asset Vault (Equipment Storage)* – The department is exploring the purchase of a Controlled Asset Vault. Benefits of the asset vault include:

- Ability to secure all equipment issued daily to Patrol Officers
- Personal identification for each individual officer allows access to equipment and tracks removal of equipment
- Ability to track missing equipment back to last officer who checked it out
- Ability to maintain inventory of equipment
- Security of equipment
- Cost savings due to better management and tracking of equipment
    *Currently used by Superior Police Department with excellent results

## Equipment Plan

*License Plate Readers (LPR) Technology* – In 2010, the department acquired an LPR system through a Homeland Security grant. The LPR technology has been an valuable asset for the department, helping to locate vehicles involved in a variety of criminal activity. The department intends to purchase four LPR systems per year through 2015 for a total of twenty systems.

*Handguns / Tasers / Rifles / Shotguns* – The department's firearms are getting old and are in need of replacement. In addition, the department would like to expand its Tasers inventory. The department intends to purchase five shotguns, hand guns, rifles and tasers per year through 2015 in order update and replenish the equipment. Incremental purchases spread over the course of several years will reduce the financial impact to the department and set the stage for regular replacement of this equipment in the future.

*800 MHz Radios* – By January 2013, the department must migrate to a narrow band radio system. This will require the replacement of all mobile and portable radios. Grant funding has been secured to pay for them.

*MDC'S* – In 2010, the department replaced 1/3 of our MDC's. We intend to continue with incremental replacement in order to reduce the financial impact to the department.

## Space Plan

The Duluth Police Department currently occupies space on the ground level and first floor of the City Hall building.  Space is limited with operational services (patrol, word processing, records and customer services) predominantly located on the ground floor and administration and investigative offices on the first floor

The department is looking forward to moving to a new facility. The new facility is being constructed adjacent to the new St Louis County Sheriff's Office building and joint emergency communications center, near both the Arrowhead Juvenile Center and the Chris Jensen Nursing Home facility, between Rice Lake Road and Arlington Avenue.  The close proximity of the two departments would encourage the combining of specific services, increased communication and dual use training and meeting facilities.

# VII.    Management and Organization

## Management Team

The Duluth Police Department Command Staff consists of the Chief, 2 Deputy Chief's and 10 Lieutenants. The command staff has an average of 21.5 years of experience in law enforcement. The majority of command staff members are graduates of either the Northwestern School of Police Staff and Command or the FBI Academy.

## Succession Plan

The department works under the philosophy that it is our responsibility to train personnel to replace us. All officers are encouraged to take the Bureau of Criminal Apprehension's Police Management series that helps them prepare for duties associated with promotion and leadership. The department also supports officers in their efforts to attend other classes that promote leadership, such as the FBI National Academy, Northwestern University's School of Police Staff and Command, and the IACP's Leadership in Police Organizations.

# VIII.  Appendices

## 2010 Initiatives & Results

### *Compstat*

Compstat management philosophy adopted and fully implemented in 2010. Compstat utilizes crime statistics, GIS crime mapping, police records systems to identify trends in crime and disorder.  The premise of this philosophy is to utilize timely criminal intelligence information to quickly deploy resources that will relentlessly follow-up on identified problems while tactics used to resolve problems are evaluated for effectiveness. Other cities who have utilized this philosophy have experienced remarkable reductions of crime and disorder.  In Duluth, we are experiencing the same results after our first year!

This philosophy is driven by performance management.  Monitoring directed patrols, arrests, citations and stops identify employees who excel at criminal interdiction and area tool to monitor the effectiveness of tactics used to problem solve.  We have seen increased proactive policing in problem areas resulting in more timely and effective problem solving.  Performance management ensures all employees are engaged in problem solving and goals of the Department.

This philosophy requires accountability for effectiveness.  A veteran community police officer was selected to coordinate the program and prepare criminal intelligence information in a weekly meeting held for department members to analyze crime statistics, trends and patterns and begin to strategize how to resolve problems.  Our police commanders give updates on problems from the previous week and described progress and effectiveness of tactics used.  This keeps focus on problems resolution.

Compstat improved communication across divisions, units and shifts.  The weekly presentation is accessible on-line and directs our staff on the priorities for the week.  The increased communication has allowed the department experience more timely resolutions to problems by having all members aware and engaged in priorities.

The results have been impressive this year!  We have reduced street robberies 33%, increased impaired driving arrests, traffic stops and seat belt enforcement leading to a reduction in traffic crashes.  We have reduced party calls around the campuses and increased our arrests of juvenile curfew violators more than 100%.  This is important because juveniles often contribute to increased property crime.  We are looking forward to year two and continued successes improving the quality of life in the City of Duluth!

## 2009/2010 YTD Crashes by District

**■ 2009 Crashes** (2,741)
**■ 2010 Crashes** (2,585)

| District | 2009 | 2010 |
|----------|------|------|
| 24 | 319 | 310 |
| 25 | 284 | 287 |
| 26 | 599 | 570 |
| 27 | 455 | 406 |
| 28 | 435 | 398 |
| 29 | 614 | 614 |
| Other | 35 | 31 |

### _Blight Collaborative_

City of Duluth Police and Community Development Departments recognized failures to communicate both internally and externally on blighted properties. The police department brought together a comprehensive group of interested and action orientated partners representing city and county governments, nonprofits and authorities. The group meets monthly with a goal of reducing duplication of efforts and to focus on the city's worst properties. The collaborative approach has all the stakeholders at the table to identify demolition resources available and prioritize blight and demolition projects weighing such factors as public safety concerns or the property contributes to the decline of the surrounding neighborhood. Developing priorities directs blight clean-up to the properties and neighborhoods with the greatest need. This collaborative promotes communication and efficiency of partnerships to improve the neighborhoods in Duluth!

## Police Prosecutor Partnership

Investigator Drozdowski began 2010 in uncharted territory as a Blight and Nuisance Community Policing Officer for Downtown Duluth.   He took on the goal of changing the outlook or perception of crime Downtown with a partner who traditionally stayed in the courtroom, an assistant city attorney, Theresa Neo.

These two employees have shown incredible resolve to build collaborative relationships within our community to find solutions to problems which have eluded others.  Both David and Theresa immediately understood that solutions to many of our community issues were not isolated to a single population or to a single service needed.  They saw the need to be systems type thinkers.  Many of the citizen they came in contact with had challenges such as;  chemical dependency,  mental health and criminal histories.    They saw that one way of addressing and changing that particular person's behavior was to get each of these services together and have a round table to specifically address the person's entire needs.

When they identify a person who has multiple police contacts, they begin to search for a solution that fulfills everyone's needs.  They actively search out resources for the person such as, chemical dependency treatment, housing, probation, mental health, courts and the community affected by the person's behavior.  These groups choose a collaborative plan to affect positive change in the person's behavior.   The person is held accountable, but they are always afforded an opportunity to accept the support of these different disciplines.  There are a number of individuals accept the help and begin to change their behavior because they know someone cares for them.

Ultimately their contacts with the police department were reduced.
Dave and Theresa sought help from other community leaders in cities who have creative initiatives that have succeeded, and adapted them for use here in Duluth.

The partnership has surpassed the first year's grant performance expectations so much so, the grant administrators were asked to change their goals by raising the performance benchmarks.  A goal of the partnership is to be a template for others cities to use when trying to address quality of life for a neighborhood as community prosecuting model.

## Crime Free Multi-Housing

The City of Duluth fully implemented a nationally recognized program Crime Free Multi-Housing (CFMH) to address crime and quality of life concerns facing our

neighborhoods by better management of rental properties. The Duluth Police Department and Neighborhood Housing Services (NHS) partnered to provide training for property owners and managers to be better property managers. Property managers are educated on the importance of conducting background checks on tenants and addressing minor problems before they become major issues that will lead to erosion of quality of life for other neighbors and property owners.  Training of landlords will continue in 2011 to provide education and resources for property managers to help them better manage their properties.  Another component of the CFMH is the ability of property managers to receive a timely email notifying them of any police calls to their licensed properties.  This allows the property manager to address problems in a timely manner before a small issue becomes a major issue.

## *College Party Reduction*

2010 showed a great deal of promise in maintaining and sustaining quality of life to campus neighborhoods.  The Police Department used a number of tools to increase the effectiveness of criminal and civil ordinances.  Social host ordinance, Crime Free Multi Housing and University of Duluth extending code of conduct on student to off campus behavior were among the most substantial changes. The social host ordinance placed significant fines on violators and changed behaviors of party hosts.  The effective, appropriate and regular use of this ordinance to resolve party calls brought positive comments from campus neighbors who experienced an improvement in quality of life in their neighborhoods.  A community police officer who does follow up with party hosts and landlords where parties occurred received feedback from students and property mangers that the social host ordinance and CFMH have a deterrent effect on behaviors.

Also contributing to the improved quality of life was the partnership Duluth police had with other local law enforcement agencies to target party properties and impaired driving.

## *Law Enforcement Partnership*

Duluth police partnered this year with the Minnesota State Patrol in a Data Driven Approaches to Crime and Traffic Safety (DDACTS) DDACTS uses crime mapping to target areas of crime using traffic enforcement to reduce crime and crashes. This program has been used in cities across the United States to reduce crime and crashes.  Monthly, Duluth police and Minnesota State Patrol select an area to do 2-3 day enforcement projects.  This initiative was used in Downtown Duluth to reduce street robberies and improve the perception of safety in response to the survey on safety.  Additionally, the partnership was used to respond to party calls when college students began the school year and to target impaired drivers.

## ACTIVITY SUMMARY

### Self Initiated Field Activity

|  | Week 1 | Week 2 | Week 3 | Week 4 | Week 5 | Week 6 | Week 7 | Week 8 | Week 9 | Week 10 | Week 11 | Week 12 | Week 13 | Week 14 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| TLE – Moving | 4 | 5 | 13 | 7 | 3 | 0 | 3 | 4 | 0 | 8 | 0 | 15 | 6 | 0 |
| TLE – Equipment | 10 | 9 | 7 | 8 | 9 | 5 | 3 | 5 | 0 | 0 | 1 | 18 | 3 | 2 |
| TLE  Subject Stops | 8 | 31 | 3 | 16 | 22 | 9 | 9 | 18 | 12 | 21 | 8 | 16 | 14 | 6 |
| **Citations / Other Contact** | | | | | | | | | | | | | | |
| Speed | 0 | 1 | 0 | 1 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 1 | 1 | 0 |
| Seat Belt | 0 | 1 | 2 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 0 |
| Equipment | 0 | 6 | 0 | 0 | 0 | 2 | 0 | 0 | 0 | 0 | 0 | 5 | 0 | 0 |
| Other Contact | 2 | 4 | 0 | 7 | 8 | 8 | 6 | 5 | 4 | 5 | 2 | 15 | 10 | 0 |
| **Arrests** | | | | | | | | | | | | | | |
| DUI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Warrants | 1 | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 2 | 0 |
| Narcotics | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 |
| Other | 2 | 0 | 1 | 2 | 0 | 0 | 5 | 2 | 0 | 1 | 0 | 3 | 0 | 0 |
| **TOTALS** | | | | | | | | | | | | | | |
| TLE | 27 | 45 | 23 | 31 | 34 | 14 | 15 | 27 | 12 | 29 | 9 | 49 | 23 | 8 |
| Citations | 2 | 12 | 2 | 9 | 8 | 10 | 6 | 6 | 4 | 5 | 2 | 22 | 11 | 0 |
| Arrests | 3 | 0 | 1 | 2 | 0 | 0 | 6 | 2 | 0 | 2 | 0 | 3 | 2 | 0 |
| Field Interview Cards | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Citizen Contacts | 5 | 10 | 0 | 6 | 9 | 2 | 6 | 12 | 0 | 15 | 0 | 5 | 20 | 10 |
| Warnings/Rep | 12 | 38 | 27 | 36 | 37 | 11 | 10 | 20 | 15 | 32 | 10 | 34 | 19 | 11 |
| Hours Worked | 21 | 21 | 17.5 | 24.5 | 24 | 15 | 21 | 27.5 | 8.5 | 18 | 12 | 36 | 21 | 9 |

### *High School Seat Belt Initiative*

Statistics show the greatest risk of death to our teenage children is traffic crashes. As a result, the Duluth Police Department partnered with a regional committee Driving 4 Safe Communities focusing on the "4 E's" Engineering, Emergency response, Education and Enforcement.  The committee has a multi-disciplinary membership including hospitals, emergency personnel, engineering and law enforcement. The Duluth public high schools did an educational component while law enforcement issued a press release followed by an enforcement initiative.  DPD had contact with more than 60 drivers issuing warnings and citations in a 12 day period in May.  This project kept our teenagers safe from the number one killer of teenagers in Minnesota!

### *2011 Initiatives*

- Continue Crash Reduction strategies with a goal of continuing to sustain proactive impaired driving, speed and seat belt enforcement strategies by goal setting, partnerships, and directed patrols.

- Sustain 2010 robbery reductions of 33% from 2009.  Foot and bike patrols, compstat and partnerships with other LE.

- Reduce property crimes, burglary and vehicle prowls by 10%. Intelligence led policing, communication department-wide; reduce opportunity through details and education while clearing cases through arrests.

- Increase the number of SIMPLE details directing officers to address specific and defined problems with a strategic plan in place.

- Increase in-house training for patrol shifts on tactical procedures. Train officers in search and seizure issues to more effectively gather evidence during stops of suspects that will enhance criminal prosecution and reduce crime.

- Smooth transition to the new building by having all units complete thorough house-cleaning so that only what is necessary is moved.

- Full-time participation in the Forensic Technology and ICAC Task Force.

- Expansion of field reporting to include two additional forms and the ability for them to transmit electronically by end of year.

- Increase robbery clearance rate by 5 points on cases that are at a "5" or higher on the solvability matrix. To accomplish this, we will make use of CompStat, Patrol Bulletins, and "Question of the Week" to increase Patrol knowledge of suspects and cases.

- Increase burglary clearance rate by 5 points.

- Increase prosecution of domestic violators that also engage in sexual assault with their victim. We will work with PAVSA and their data base which tracks cases where domestic violence and sexual assault occur within the same incident. Preliminary tracking indicates that suspects who commit sexual crimes on their domestic partner also commit sexual assault outside of that domestic relationship.

- Complete Phase 2 of camera project (2008 PSGP) by end of year.

- Gain 100% registration compliance of the most dangerous Predatory Offenders (Levels 2 and 3).